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Japan

Help Offered in Improving U.S.-DPRK Ties

OW3105160191 Tokyo KYODO in English 1507 GMT 31 May 91

[Text] Tokyo, May 31 KYODO—Former Deputy Prime Minister Shin Kanemaru said on Friday he is willing to act as an intermediary in improving relations between North Korea and the United States.

Kanemaru, chairman of the Takeshita faction, the largest within the ruling Liberal Democratic Party [LDP], made the remark in a meeting with Makoto Tanabe, deputy chairman of the Social Democratic Party, LDP officials said.

He said he intends to visit the United States and talk with U.S. leaders as he thinks Washington-Pyongyang ties are crucial for establishing diplomatic ties between Japan and North Korea, the officials said.

However, Kanemaru did not mention a specific time for his visit to the U.S., they said.

Kanemaru and Tanabe agreed in their meeting in Tokyo to promote stalled Tokyo-Pyongyang talks aimed at establishing diplomatic ties between the two countries, the officials said.

Kanemaru and Tanabe visited Pyongyang last September as the heads of party parliamentary missions to pave the way toward normalization talks.

The two parties issued a joint declaration with the Korean Workers' Party urging the two governments to establish diplomatic relations as soon as possible.

Tanabe told Kanemaru that prospects for Pyongyang-Tokyo normalization talks have improved since North Korea announced its bid for separate UN membership on Tuesday and informed the International Atomic Energy Agency (IAEA) that it is ready to resume talks on a nuclear safeguard treaty, the officials said.

Observers said Pyongyang's move marks a major policy change and could open the way for simultaneous entry of both North and South Korea into the world body.

Rice Decision at OECD or Summit 'Ruled Out'

OW3105051191 Tokyo KYODO in English 0444 GMT 31 May 91

[Text] Tokyo, May 31 KYODO—Agriculture, Forestry and Fisheries Minister Motoji Kondo Friday ruled out any chance of Japan making a commitment to open its rice market at an international meeting in Paris next week or at the London economic summit in July.

Kondo told a press conference after a cabinet meeting that the issue should be settled at the forum of the Uruguay Round of multilateral trade talks, being held under the General Agreement on Tariffs and Trade (GATT).

"I don't think there are any other places where the issue should be settled," he said.

His remarks came amid growing speculation that Japan will be pressed hard by other industrial countries to make a political decision on the rice issue at the ministerial meeting of the Organization for Economic Cooperation and Development (OECD) in Paris next week, or at the July 15-17 London summit meeting of seven major industrialized countries.

The United States and other farm exporters have been pressing Japan to relax its ban on rice imports in order to help salvage the deadlocked GATT trade negotiations.

The Uruguay Round has become bogged down over the issue of reducing farm subsidies, with U.S. complaints of protectionism directed particularly at the European Community.

Asked about his first meeting with U.S. Agriculture Secretary Edward Madigan, expected to take place during the OECD meeting next Tuesday and Wednesday, Kondo said he will try to convince Madigan of Japan's stance on the farm issue, and also will ask him about the U.S. position.

Tokyo Plans International Farm Market Campaign

OW3105131891 Tokyo KYODO in English 1242 GMT 31 May 91

[Text] Tokyo, May 31 KYODO—The government is to initiate an international publicity campaign aimed at stressing that Japan is opening its farm produce market, while the country's largest labor federation simultaneously opposes an immediate opening of the rice market.

The Agriculture, Forestry and Fisheries Ministry on Saturday starts what it calls the "International Publicity Action Program" directed at the United States, Australia, and other exporters of farm produce.

The ministry said it is sending officials to those countries on speech-making tours to publicize Japan's efforts to meet the international demand to open its market for farm produce.

But Akira Yamagishi, chairman of the eight million-member Japanese Private Sector Trade Union Confederation (Rengo), said Friday his organization opposes an immediate opening of the rice market.

This is the first time that the federation has made its position known on the rice import issue.

In a speech to a federation meeting held at the hot-spring resort of Atami, Shizuoka Prefecture, Yamagishi said Rengo supports self-sufficiency in rice and does not approve of an immediate liberalization of rice imports.

Analysts said the remark indicated Rengo's intention to strengthen unity in its local chapters in rural areas.

Japanese, U.S. To Use Own Chip Share Figures

OW3105050991 Tokyo KYODO in English 0452 GMT 31 May 91

[Text] Tokyo, May 31 KYODO—Japanese and U.S. trade officials have tentatively agreed that each country will use its own calculations to gauge the share of foreign-made microchips in the Japanese market in a bid to salvage a bilateral semiconductor pact, Japanese government sources said Friday.

The issue of tabulation, which affects the amount of foreign microchips sales in Japan, has been a major stumbling block to the conclusion of a new semiconductor pact to replace a five-year accord due to expire at the end of July.

Japanese and U.S. trade negotiators are expected to put the final touches to the new trade pact in June, sources at the Ministry of International Trade and Industry (MITI) said.

The original pact, concluded in 1986, was aimed at facilitating the access of foreign-made microchips in Japan, the largest semiconductor market in the world. Japan was also committed to monitor its semiconductor exports and clamp down on alleged dumping of Japanese chips on the world market.

To ensure a greater share of foreign-made microchips in the Japanese market, the new pact will specify that Japan will set aside 20 percent of its semiconductor market for imports, MITI sources said.

The two sides have agreed that the target will be a nonbinding "benchmark," but they have remained at loggerheads over how to calculate the volume of foreign-made chips sold in Japan.

MITI statistics show that foreign microchips makers have already captured 19 percent of the Japanese chips market, while U.S. statistics put the figure at 13 percent.

The gap stems primarily from the fact that Japan includes semiconductor products supplied by U.S. parent companies to their subsidiaries in Japan while the U.S. statistics exclude such intragroup transactions.

While Japan and U.S. will stick to their own interpretation of intragroup transactions, the two sides have tentatively worked out a new formula of tabulation which is expected to narrow the statistical gap roughly by half, MITI sources said.

The new formula consists of two parts—how to determine the size of the Japanese microchips market, and the definition of imports and the way to compute them.

Basically, according to MITI sources, the Japanese market will be calculated by adding domestic output on the basis of MITI machinery statistics, the depletion of inventories, and the balance in Japan's exports and imports.

Import figures will be based on the U.S. Government survey of microchip transactions between Japan and the United States.

The Japanese Government will continue to count the supply of microchips from U.S. parent companies to their subsidiaries in Japan, but those transactions, as in the past, will not be included in U.S. statistics.

Toyota on Plan To Integrate U.S. Operations

OW3105063691 Tokyo KYODO in English 0528 GMT 31 May 91

[Text] Tokyo, May 31 KYODO—Toyota Motor Corp. said Friday it has opened a new 46 million U.S. dollar prototype-vehicle evaluation center in the United States as part of its strategy to create fully integrated operations in that country.

Officials said the evaluation facility at Toyota Technical Center, U.S.A., Inc. (TTC) is the first of several new facilities the company will open this week and next as part of its more than 200 million dollar plan to enhance the design, development, and building of cars in the U.S.

The new facility at the Torrance, California Research and Development Center, which opened Thursday, includes a 7,500-square-meter evaluation center and a 5,700-square-meter administration building.

The center features hot and cold chambers for testing climate-control systems and performance under extreme environmental conditions, as well as a chamber to measure noise and vibration.

TTC will also begin construction on Friday of a 110 million dollar test-track facility near Phoenix, Arizona to evaluate vehicle performance at high speeds and extreme temperatures.

At the same time, Calty Design Research Inc., Toyota's U.S. car designer in Newport Beach, California, will spend 19 million dollars to expand its facilities for color designs and building clay models of cars as well as transferring three-dimensional information from clay models to computer model design.

In addition, TTC will open on June 6 an evaluation laboratory for parts, materials and vehicles at its technical center in Ann Arbor Michigan, where it has conducted emission tests since 1987.

Officials said the expansion will boost Toyota's capabilities to better satisfy U.S. customers as well as work more closely with U.S. suppliers to boost procurement of locally made parts and materials.

Israel Asked for Flexibility on Peace Moves

OW3105035291 Tokyo KYODO in English 0338 GMT 31 May 91

[Text] Jerusalem, May 30 KYODO—Japanese Foreign Minister Taro Nakayama urged Israel on Thursday to make a realistic and flexible response to a United States proposal for a Middle East regional peace conference, Japanese officials said.

Israeli Foreign Minister David Levi, however, expressed a hard- line stance toward the U.S. initiative, arguing that the holding of such a conference depends on Syria's attitude, the officials said.

The Japanese foreign minister arrived here for a three-day visit from Egypt earlier in the day. In Cairo, Nakayama held talks with Egyptian President Hosni Mubarak.

Nakayama, during the two-hour meeting with Levi, said Japan supports the U.S. proposal for a regional conference in view of U.N. resolutions calling for Israel's withdrawal from occupied Arab land captured in the 1967 Middle East war.

The Japanese foreign minister called on Israel to stop construction of settlements for Jewish settlers on Israeli-occupied Arab territories and urged it to improve the treatment of Palestinians in the occupied West Bank and Gaza Strip.

Levi told Nakayama he has reached an agreement with U.S. Secretary of State James Baker to settle the Palestinian issue with a two-phased plan, and ruled out further concessions, saying Israel has done everything it can to achieve peace, the Japanese officials said.

The Israeli foreign minister also rejected Mubarak's call for freezing construction of settlements for Jewish immigrants.

In reply to a request from Levi to help break the Arab boycott against companies trading with Israel, Nakayama said the boycott impedes international trade and is undesirable.

Japan's Toyota Motor Corp, the world's second-largest automaker, announced in April that it would begin selling cars in Israel.

Nakayama also said Japan is ready to provide letters of credit from the Export-Import Bank of Japan to Israel, if that country requests economic assistance. Japan has never officially given economic assistance to Israel.

New World Order Seen on Japan-U.S.-Europe Ties

OW2905192291 Tokyo KYODO in English 1206 GMT 29 May 91

[Text] Tokyo, May 29 KYODO—Prime Minister Toshiki Kaifu said Wednesday that Japan plans to open a consulate next January in Strasbourg, France, to boost ties with the EC.

Strasbourg is the home of the European Parliament, as well as the Council of Europe.

Speaking at a reception concluding the 12th Japan-EC parliament members conference, Kaifu said he expects the new world order to be built on the foundation of three-way ties among Japan, the United States and Europe.

Bernhard Salzer, head of the EC delegation, said in a speech that he welcomed Japan's realization that economic power implies greater international responsibilities.

EC Parliament member Jessica Larive said that with the coming shift to a single European market, Japan appears to be paying more attention to Europe as a political as well as an economic force.

"I have the feeling that Japan is starting to realize that the EC is more important than they thought it would be," Larive said in an interview.

The conference delegates discussed a wide range of political, economic and social issues during the meetings, which ended Tuesday.

MITI Urges Stronger GATT Trade System

OW3105022891 Tokyo KYODO in English 0221 GMT 31 May 91

[Text] Tokyo, May 31 KYODO—Forestalling the formation of exclusive regional trade blocs by strengthening the General Agreement on Tariffs and Trade (GATT) is the key to growth in world trade, a government white paper on international trade released Friday said.

Bringing the stalled Uruguay round of multilateral trade talks to a successful conclusion is of "utmost importance" to maintaining trust and order in the open international trading system, it said.

Japan should take the initiative in supporting the GATT trade system as the only industrialized nation not promoting economic regionalism, which could develop into exclusive trading blocs, it said.

The white paper, compiled by the Ministry of International Trade and Industry (MITI) and approved at the day's cabinet meeting, highlighted mushrooming economic integration as the major trend in world trade.

Citing examples such as the planned market integration in the European Community, the European Free Trade

Association, and the America-Canada Free Trade Agreement, it said such economic integration could stimulate world trade if controlled appropriately. Economic growth within groups would increase imports from outside the trade regions and standardized trade regulations in the group countries also could lower trade barriers for other countries.

But once the groups face slow internal economic growth, there is always the possibility that they will become exclusive trade blocs which shut out other countries, the white paper warned.

As an example, it referred to the trade restrictions adopted under the Smoot-Hawley Tariff Act in the United States in the 1930s, and said it invited retaliatory measures from other leading countries and eventually caused economic blocs in Europe.

This reduced the amount of world trade considerably, and put the world into a long period of stagnation and confusion, it said.

The white paper said, "so far the negative effect of trade diversion has not manifested itself" in the current market integration plans.

"We should bear in mind that economic integration may end up significantly reducing the world economy and world trade if the wrong method is employed," the MITI paper said.

To head off economic blocs, strengthening the "principles of free trade and multilateralism" of the GATT system is essential, the report concluded, because "efforts of a single nation or bilateral approach to solving the various problems facing the world are obsolete."

It pointed out, however, the current provisions in GATT's Article 24 concerning regional economic integration are rather vague. In addition to clarifying Article 24, GATT members should create a new process to regulate and watch the progress of economic integration to prevent its negative effects, the paper urged.

The first hurdle to strengthening GATT described in the report is the ongoing Uruguay Round of trade talks, which failed to conclude in December 1990 as scheduled because of disputes on such issues as agriculture and services trade.

The paper urged GATT members to create new trade rules to protect the environment and to prevent technological friction.

International rules on intellectual property, antitrust enforcement, and controlling international arms trading were also urged.

The MITI report said Japan, now accounting for 16 percent of the gross national product of the western nations, 8 percent of world trade and 23 percent of the world's direct investment, should take the initiative in creating international rules on those issues.

As for the domestic front, the white paper reported that Japan's 1990 economy in real terms grew 5.6 percent from the previous year, exceeding 1989's 4.7 percent growth.

Brisk domestic demand, led by strong personal spending and active corporate investment in new facilities, contributed largely to the economic growth.

Exports totaled 286.9 billion dollars in 1990, up a moderate 4.3 percent over a year earlier, while imports amounted to 234.8 billion dollars, an 11.4 percent rise for the fourth consecutive year of double-digit growth.

Among imports, manufactured goods grew 22.3 percent, almost double the amount of rise in mineral fuels.

The white paper said, however, the amount of per capita imports of consumer goods accounted for only 7 percent of overall per-person spending in 1990.

Imports of manufactured goods in Japan equaled about 958 dollars per person in 1990, while per capita imports in the United States were 1,448 dollars, in Germany they were 3,320 dollars and in Britain 2,749 dollars.

This means the Japanese have more room to buy imported goods, the paper said.

Japan's current account surplus in 1990 dropped to 35.8 billion dollars for a third straight year of decline, after peaking in 1987 at 87 billion dollars. This was caused by a strong increase in imports, while exports continued to grow moderately, in part because Japanese companies were producing more in other nations.

Japan's overall trade surplus for 1990 decreased sharply by 13.1 billion dollars from the previous year. The decline was due mainly to such temporary factors as higher prices for crude oil and the yen's weaker value against the U.S. dollar, the MITI paper said.

The sensitive trade surplus with the United States in 1990 shrank 7 billion dollars from a year earlier to 38 billion dollars.

MITI cited a calculation by the U.S. reporting the country's trade deficit contracted to 101 billion dollars in 1990 from 109.4 billion dollars the previous year. The U.S. calculated that its trade deficit with Japan narrowed to 41.1 billion dollars from 49.1 billion dollars, so the deficit with Japan was falling faster than was the total trade deficit, the paper said.

The two nations use different methods to calculate trade figures, accounting for the difference in deficit figures.

The trade imbalance between Japan and the U.S. is expected to improve in the coming years, MITI added.

As the most prominent feature of 1991's international trade, MITI also analyzed the effects of the Persian Gulf war.

Countries around the world were forced to pay 65 billion dollars more for crude oil from August 1990 to January this year, due to price hikes after a ban on oil imports from Iraq and Iraqi-occupied Kuwait. An accompanying ban on exports to Iraq and Kuwait cut world exports by an estimated 4.6 billion dollars, it said.

Adding in other negative effects such as decreased earnings by migrant workers and income from tourism, the overall damage to the world economy amounted to about 76.8 billion dollars, it said.

'New Willingness' at UN Conference Analyzed

OW3005211491 Tokyo KYODO in English 1500 GMT 30 May 91

[By William May]

[Text] Kyoto, May 30 KYODO—A UN disarmament conference that ended here Thursday highlighted challenges to the issues of arms reductions but it was the apparent new willingness of Japan to be more actively involved in peacekeeping efforts that overshadowed the forum.

Prime Minister Toshiki Kaifu, who proposed such a conference be held in Japan shortly after the Persian Gulf war, greeted the world's leading arms control experts Monday with proposals intended to reaffirm this newfound commitment.

In his opening address, Kaifu pledged that Japan is willing to "cooperate fully" with UN efforts to monitor arms sales worldwide and offered assistance to help establish a UN database system for that purpose.

Kaifu also indicated that Japan, for the first time, would submit to the UN this fall a draft resolution calling for increased transparency in the international arms trade.

Outlining proposals that he plans to promote at the London summit in July and before the UN General Assembly in the fall, Kaifu also reaffirmed plans to tie Japanese economic assistance to developing nations to trends in their military expenditures.

Kaifu was not alone in carrying the message of a new commitment to peace efforts to the delegates.

In a separate presentation, Deputy Foreign Affairs Minister Hisashi Owada lamented that Japan's security policies since the end of World War II have been "basically passive concepts which do not extend beyond the maintenance of the security of Japan in the narrow concept."

Citing Japan's inability to respond "adequately" to the Persian Gulf crisis, Owada told the forum Japan has recognized the need for greater action and is now seriously considering how to contribute to UN peacekeeping operations while remaining faithful to its peace Constitution.

Throughout the four-day symposium, delegates hailed Kaifu's proposals and encouraged further active Japanese involvement in the peacekeeping arena.

Japanese defense policies were held up as an example of a "defensive defense structure" that would obviate the need for an arms race.

In general, arms control experts and critics here welcomed the new international situation that created a "window of opportunity" for progress in regional measures to global security and enhanced transparency and openness in the transfer of weapons and related technology.

They recognized the need for regional mechanisms to deal with local tensions and the building of confidence between neighbors, while underlining that regional approaches must emerge from within instead of being imposed from outside because of their unique considerations.

While the dynamics of the cold war arms race were declared dissipated, concern was voiced that the obsolete weapons of the cold war powers may now find their way into the Third World.

Others delegates discussed the phantom postwar "peace dividend" and the costs and side-effects of winding down decades of cold war arms proliferation.

The costs of disposing of weapons and hardware, the expense of trying to convert military industry to civilian purposes—with accompanying economic dislocations of labor—and costs of verifying that good faith and agreements are being adhered to all led to the assumption that the "peace dividend" may have only been a ghost all along.

Still, Swadash Rana of the UN Department of Disarmament Affairs reminded those disheartened by these prospects that "people should not be made to think that peace by itself is not a dividend."

UN Disarmament Conference Views Differ

OW3005085891 Tokyo KYODO in English 0605 GMT 30 May 91

["Disarmament: Views Differ on UN Role After Gulf War (by William May)"—KYODO headline]

[Text] Kyoto, May 30 KYODO—Delegates at a United Nations-sponsored disarmament conference here differ on what lessons about the emerging role of the international body were learned from the Persian Gulf war, the head of UN disarmament affairs said Thursday.

Yasushi Akashi, undersecretary general of the UN Department of Disarmament Affairs, told the final plenary session of the conference that some delegates are encouraged by the ability of the UN members to "act in unison in the face of overt aggression."

Still, others fear the Gulf war threatens to pull the UN away from "its time-honored principles of conciliation," Akashi said.

Conference participants wondered if the UN can combine its aspirations to be a democratic institution among nations when it opts to be "an action-oriented, efficient body centering around the five permanent members (of the Security Council)," Akashi noted.

Ninety-eight disarmament experts, scholars, and critics, gathering for the Second UN Conference on Disarmament Issues in Kyoto, exchanged opinions on disarmament challenges in the post-cold war and post-Gulf war situation, as well as the emerging role of the UN in these circumstances.

In his summary address, Akashi reiterated the optimism surrounding the four-day forum that "real disarmament" in nuclear, chemical, and biological arms "looks more promising now than anyone could have imagined only a few years ago."

The hopes of the delegates, however, are tempered by apprehension that "ethnic, religious, and cultural antagonisms, national and personal ambitions, and excessive means can coalesce together in the most menacing ways," Akashi said.

Discussions at the Kyoto International Hall revolved around three basic themes, and in closing the conference, Akashi praised progress in each of the areas.

He called for better mechanisms to promote interregional discussion and diplomacy in seeking the reduction of military tensions and disarmament.

Akashi also welcomed the Middle East arms control initiative of U.S. President George Bush, announced to the final session by U.S. delegate Ronald Lehman II.

Lehman, director of the U.S. Arms Control and Disarmament Agency, outlined the Bush initiative for the conference participants, underlining the call for a review among the five permanent members of the UN Security Council, who provide some 85 percent of the arms to the Middle East.

Prvoslav Davinic, chief of the monitoring, analysis, and studies branch of the UN disarmament department, reaffirmed the delegates' convictions that global approaches are preferred in seeking bans on the weapons of mass destruction—nuclear, chemical, and biological.

Akashi stressed the search for regional disarmament measures is not to achieve some "narrow mechanical sense" of restraint, but rather "to create more auspicious conditions for the reduction of tensions" and a firmer foundation for global regimes.

"The vast majority" of nations have "adopted the logic and practice of nonproliferation," Akashi said, but noted that problems remained in verifying adherence to international agreements.

Akashi urged enhanced openness and transparency in international arms and related technology transfers, suggesting a formula in which suppliers are more willing to provide science and technology for peaceful development to developing countries, and the recipient nations agree to further openness in how the technology is being implemented.

Responding to a suggestion that the conference was focusing too much on the question of arms transfers, Akashi reassured reporters the UN still considers nuclear nonproliferation a vital issue within the discussions.

Soviet Official on Tokyo's Cambodian Provision

OW3105123091 Tokyo KYODO in English 1208 GMT 31 May 91

[Text] Tokyo, May 31 KYODO—The Soviet Union supports a key provision of a Japanese peace initiative designed to bring about agreement by the four warring Cambodian parties to a United Nations peace plan, a high-ranking Soviet Foreign Ministry official said Friday.

Vladimir Petrovskiy, in an interview with KYODO NEWS SERVICE and the official Soviet news agency TASS, said Moscow considers as viable Japan's proposal that any of the Cambodian parties violating a future UN peace agreement should be penalized by excluding them from elections.

The plan, worked out by the five permanent members of the UN Security Council, calls for a UN-supervised ceasefire and disarming and demobilization of troops.

It also envisions an extensive UN administrative role during a post-ceasefire interim period leading up to general elections.

The plan has been accepted by the three resistance factions, but opposed by the Vietnam-installed government in Phnom Penh.

Petrovskiy said Moscow 'highly appreciates' Japan's active role in pursuing a comprehensive peace settlement in Cambodia.

He welcomed Japan's informal proposals, which are intended to address the Phnom Penh government's concerns that the militarily powerful Khmer Rouge guerrilla faction may attempt a power grab by exploiting the UN plan's loose enforcement provisions for disarmament and demobolization.

Petrovskiy said the exclusion of parties that break the accord from polls would provide important leverage to ensure the agreement is fulfilled.

Japanese Foreign Ministry officials welcomed Petrovskiy's remarks, noting they were more specific than the message of basic understanding conveyed in bilateral talks in March.

Officials said the Japanese initiative, which has yet to gain solid backing in the international arena, may be a subject for discussion during a meeting between the four warring factions in Jakarta on June 2-4.

Canada's Mulroney Encourages Peacekeeping Role

OW3105015291 Tokyo NHK General Television Network in Japanese 1234 GMT 30 May 91

["Exclusive" interview with Prime Minister Brian Mulroney by NHK Tadashi Sonoda at the new Canadian Embassy in Tokyo on the "NHK News 21" program; date not given—recorded, in English with Japanese translations in subtitles; translated from the English]

[Text] [Sonoda] Canada has built an admirable embassy like this in Tokyo. What sort of relationship are you trying to set up with Japan?

[Mulroney] We have become very important trading partners, one with the other. We do almost 20 billion dollars worth of business back and forth and our economies tend to complement each other. In the course of this, we've became very good friends. We tend to see the important problems in the world from a similar perspective. We both defend liberty and we believe in freedom and the free enterprise system and open markets and lower trade barriers. So, this embassy is a statement of our friendship.

[Sonoda] There is a heated political debate going on in Japan today regarding whether we should be part of the international peacekeeping activities.

[Mulroney] [film jumps to Mulroney, in mid-sentence] ...and so, Canadians are very, I think, quite knowledgeable and very comfortable with the idea of contributing to peace by defending liberty, but also by moving in any peacekeeping fashion. For example, we have been on Cyprus for almost three decades. We are around the world when the UN calls, and I think that it would be in Japan's interest and it would be in the United Nations' interest to have Japan play a more prominent role in the United Nations in every way, but also in the peacekeeping, because this would be consistent with Japan's approach and Japan's Constitution. And, it's an area where you can do a lot of good. Now, Prime Minister Kaifu has discussed with me...[changes thought] he is very impressed by his analysis of Canada's achievements in the peacekeeping area over some decades. And, there is going to be an exchange of information in parliamentarians and government-to-government information shortly to see how Japan might develop its own thinking.

[Sonoda] How do you think the United Nations must change in order to fulfill this function?

[Mulroney] The United Nations is indispensable. But, you know, if the United Nations is to be effective, then it has to realistically reflect reality; not as the world was 40 years ago, and not as the world as some people think the world is today [passage as heard], but the way it really is. And one of the reforms that I think we have to look at is the fact that Japan in the last four decades has emerged as a superpower—an economic superpower. And the structures of the United Nations must reflect that. I believe that Japan should be called upon to play a larger leadership role in the geopolitical and strategic sense. And that will require structural changes in the United Nations, and Canada is going to work closely with Japan and others to help bring those about.

[Sonoda] It seems that the focus of the London summit meeting of the industrialized countries will be the financial economic aid to the Soviet Union. What is Canada's policy or attitude toward this matter?

[Mulroney] We want political stability because political stability and strong leadership has given us the tremendous advances, since Mr. Gorbachev has been there, in the decline in tensions between East-West and decline of the arms war and opening up all opportunities for avenues of cooperation. We must not miss that opportunity. But, to take advantage of the opportunity, I would say we hold the summit as scheduled, as it is, and then, immediately upon its ending, that we open a new chapter. And, for an appropriate period of time, we listen and meet with Mr. Gorbachev and we deal as best we can with the specifics of his problems.

French Efforts Against 'Japanese Menace' Viewed

OW3105024391 Tokyo KYODO in English 0206 GMT 31 May 91

[By Geoffrey Murray]

[Text] London, May 30 KYODO—A recent cartoon in a French newspaper showed a Frenchman lolling indolently on a beach as a besuited Japanese businessman dashed past yelling "banzai."

The message was clear—France was being overtaken by Japan in the economic race and only had itself to blame.

In books and magazine and newspaper articles are appearing analyzing the phenomenon of the "lazy French" and how this is playing into the hands of the Japanese "enemy."

For a long time, it has been well known that it is no use visiting France in August to do business—most of the city's population will have decamped to the beaches or the mountains for a prolonged vacation.

But now this phenomenon seems to be spreading to May. The month has four national holidays, and with the French propensity to take off extra days to bridge any gap between a special holiday and the weekend, business is suffering.

A recent survey suggested that this growing "holidayitis" currently costs France 10 percent of its average monthly industrial output.

All this, as critics are quick to point out, plays into the hands of the Japanese, who are making massive inroads into the European market and threaten to dominate it unless urgent countermeasures are taken.

The French economy faces many problems. After three years of respectable expansion, the annual growth rate has slipped to a highly unsatisfactory 2 percent. Faced with lower revenues, the government in Paris has taken the highly unpopular step of cutting its spending on a broad range of social welfare programs.

Unemployment in the 10 years that President Francois Mitterrand has been in office has risen from one million to 2.6 million—currently 9.3 percent of the labor force—and shows every sign of going even higher.

One obvious solution would be to cut down on the number of holidays and get the French worker to produce more. But what is more likely to happen is further attempts to keep the Japanese menace at bay.

That has become even more likely since Mitterrand replaced Michel Rocard as prime minister with Edith Cresson, who has made her mark with considerable tough talking on the subject of Japan—so much so that the British newspaper the SUNDAY TIMES called her France's arch "nipponophobe."

Mitterrand, in announcing Cresson's elevation to become France's first woman prime minister, insisted she was the best candidate to lead a government capable of giving France the "new impetus" required to survive in the single trading market that the 12-nation European Community (EC) is creating in 1992.

But in a comment seen as an attempt to reassure Japan, he stressed that the appointment did not signal the advent of new protectionist barriers.

Some British newspapers, however, were quick to dub Cresson the "dame de fer" or iron lady—a title previously applied to former British Prime Minister Margaret Thatcher—who would be a new Joan of Arc, a savior to lead the nation in bitter hand-to-hand combat with the Japanese.

Cresson herself, however, rather spoiled Mitterrand's conciliatory comments by immediately proclaiming that she did not want the Japanese to "annihilate" the French car industry.

France already restricts Japanese imports to only 3 percent of its market and is seeking to persuade its European partners to retain tight quotas until the end of the century and ensure they include the growing volume of cars being turned out by Japanese factories in Britain—a campaign that has not helped sensitive Anglo-French relations.

Cresson made the headlines when she resigned last year from her job as Minister for European Affairs in protest at what she called the "gutlessness" of the Rocard government in not taking a more robust line with the Japanese.

"Japan is an adversary who does not respect the rules of the game and whose overwhelming desire is to conquer the world," she declared in January last year. "Those who can't see that must be blind. Japanese investments are not like others. They destroy jobs."

Six months later, she returned to the attack, declaring, "we hear all too often that we must open our markets, which really means first to the Japanese. In the name of what must we abandon France?"

Political analysts say there will be two strong tests of this anti-Japanese line in the next few weeks.

The first will be how the government reacts to reported moves by Mitsubishi Motors Corp. to buy a stake in Volvo, which is linked by cross shareholding with the French state-owned car company Renault.

The second test is the 15 percent stake that Japan's NEC [Nippon Electric Company] Corp. plans to buy in Bull, France's ailing computer maker and technology flagship.

This is particularly embarrassing coming after the French-led moves to oust the British computer ICL from various EC projects after it was bought by Fujitsu.

But these are merely the first skirmishes in the battle that seems likely to continue into next year to decide whether Europe's stance toward Japan will be one of confrontation or cooperation after the 1992 market unification, which will pit the anti-Japanese French against the more pro-Japanese British.

Government Pledges Aid Package to Bangladesh

OW3005233191 Tokyo KYODO in English 2304 GMT 30 May 91

[Text] Tokyo, May 31 KYODO—Japan has pledged 20 million dollars in grant aid and up to 12.2 billion yen in emergency commodity loans to Bangladesh, Foreign Ministry official said Friday.

Officials said the pledge was made at an annual consultative meeting of the so-called Paris Club aid benefactors of Bangladesh, which was held in Paris on May 29 and 30.

The officials said Japan's 20 million dollar grant will be used to cofinance a proposed World Bank program aimed at helping Bangladesh reconstruct in the aftermath of the devastating cyclone that hit in late April, killing an estimated 130,000 people.

If the program is implemented, Japan's grant money will be appropriated from its contribution to the bank's policy and human resource development fund.

Officials said the 12.2 billion yen in emergency commodity loans, which will be extended [to] Japan's overseas economic development fund, is aimed at backing the Bangladesh Government's cyclone recovery program and supporting its balance of payments.

The loans will carry an annual interest rate of 1 percent and will be repayable over a 30-year period, with a 10-year grace period, officials said.

In addition to the funds needed for the post-cyclone rehabilitation, Bangladesh asked creditor countries in Paris for 2.4 billion dollars to finance the country's 1991-1992 development.

Japan has already extended Bangladesh 9.5 million dollars in cash to deal with the effects of the cyclone. It has also provided 68.5 million yen worth of emergency materials, 1.5 million yen worth of food, 50 relief personnel, and two helicopters.

Takeshita 'Powerful' LDP Presidency Contender

OW2905115791 Tokyo KYODO in English 1019 GMT 29 May 91

[Text] Takasaki, Gunma Pref., May 29 KYODO—Former Prime Minister Noboru Takeshita is one of powerful contenders in the leadership race this fall in the country's governing Liberal Democratic Party, LDP, Secretary General Keizo Obuchi said Wednesday.

Obuchi, speaking at a meeting of his support group in Takasaki, Gunma Prefecture, said what he can say at this moment is that every one can be a candidate in the LDP presidential election. "Needless to say, Mr. Takeshita is one of the powerful candidates," he said.

"There are voices at home and particularly from abroad to call for Takeshita to assume power again," said Obuchi, who is known as one of the closest aides for Takeshita.

Obuchi, who succeeded Ichiro Ozawa as LDP secretary general last month, was chief cabinet secretary in the Takeshita cabinet between November 1987 and June 1989, acting as Takeshita's chief of staff and chief spokesman.

Obuchi said he hopes "Mr. Takeshita would become my boss."

Takeshita stepped down as prime minister in June 1989 in the wake of his involvement in the Recruit stocks-for-favor scandal.

The LDP presidency carries with it the post of prime minister because the LDP holds a stable majority in the powerful House of Representatives.

Prime Minister Toshiki Kaifu's two-year term of office as LDP president expires October 30.

LDP Approves Political Reform Package

OW3105100591 Tokyo KYODO in English 0932 GMT 31 May 91

[Text] Tokyo, May 31 KYODO—The ruling Liberal Democratic Party (LDP) approved the outlines of a package of political reform bills Friday in a meeting of its highest decision-making body, the Executive Council.

Party executives reported the council's approval to Prime Minister Toshiki Kaifu.

The package was submitted to the council after two committees of the LDP and the Policy Affairs Research Council endorsed it in a heated eight-hour debate on Thursday.

Under the proposed package, the number of seats in the powerful House of Representatives would be reduced to 471 from the present 512. It proposes that 300 of the 471 members of the Lower House be elected from single-seat constituencies and the remaining 171 through the proportional representation system.

At present, 130 constituencies represented in the Lower House have two to six seats each.

Corporations and trade unions would not be allowed to make political donations to individuals and could offer funds only to political parties.

The package also recommends that the government provide subsidies totaling 30 billion yen from the national coffers to political parties to dampen public criticism that the current system of bankrolling electioneering is a major cause of political corruption.

Masayoshi Ito, former foreign minister and head of the LDP's Political Reform Committee, said he hopes to present the bills to the Diet as soon as possible after they have been drafted.

Former Health and Welfare Minister Junichiro Koizumi criticized the plan and proposed a reallocation of seats under the current electoral system.

The LDP started debating political reform after the Recruit stock scandal, which rocked Japan's political world in 1988-1989. Former Prime Minister Noboru Takeshita, former Finance Minister Kiichi Miyazawa, and other prominent political figures were implicated in the scandal.

Prime Minister Toshiki Kaifu assumed office in August 1989 after his predecessors, Takeshita and Sosuke Uno, resigned in the wake of money and sex scandals. Kaifu has said he stakes his career on achieving political reform as a central feature of his domestic policies.

Kaifu, whose two-year term as LDP president expires in October, wants to convene an extraordinary Diet session this summer to discuss the reform bills. The LDP president automatically becomes prime minister because of the party's current majority in the Lower House.

Kaifu will urge his election system council advisory panel to work out a plan for allocations of single-seat constituencies based on the outlines on June 6.

The Government is then expected to draft bills based on the recommendation of the council at the end of June for submission to the Diet.

The opposition parties are against the introduction of single-seat constituencies.

Business Leaders Welcome Package

OW3105130791 Tokyo KYODO in English 1232 GMT 31 May 91

[Text] Tokyo, May 31 KYODO—Business leaders welcomed Friday the ruling party's decision to go ahead with a long-pending package of political reforms, including introduction of a single-seat constituency formula.

The Liberal Democratic Party [LDP] endorsed a package of political reform bills earlier Friday for review by the Government before it is to be submitted to the Diet for approval

The package calls for a reduction of seats in the House of Representatives to 471 from the present 512 and the introduction of single-seat constituencies to select 300 of the lower chamber's 471 members.

Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), said the reforms are earnestly desired by the entire population and will help boost public confidence in politics.

Takeshi Nagano, president of the Japan Federation of Employers Associations, said the package contains urgent matters to be solved.

Rokuro Ishikawa, chairman of the Japan Chamber of Commerce and Industry, said the bills, incorporating cuts in government subsidies to political parties, generally reflect demands by the business community.

Ishikawa said he hopes the bills will be enacted as soon as possible.

Masaru Hayami, chairman of the Japan Association of Corporate Executives, praised the LDP's decision to reduce the number of seats in the House of Representatives.

The top leaders of the four organizations are scheduled to meet Monday to affirm their support for political reform.

Hashimoto Said Still Cautious Over Land Prices

OW3105043591 Tokyo KYODO in English 0359 GMT 31 May 91

[Text] Tokyo, May 31 KYODO—Finance Minister Ryutaro Hashimoto voiced caution over land prices Friday, brushing aside recent figures showing an emerging trend of downward pressure on prices.

He told a press conference after a regular cabinet meeting, "I'm not sure whether land prices are being brought under control. Nor am I certain whether the bubble has completely disappeared. I am not optimistic."

His remarks came in the face of data released Thursday showing a 2 percent drop in land prices in Japan's six largest cities in the second half of fiscal 1990, ended March 31, which marked the first decline for 16 years.

Hashimoto also indicated the ministry is not yet prepared to ease its yearlong curb on real estate-related loans.

"The restriction, though causing hardship for some companies, is generally understood by business circles as a necessary measure," he said.

In a bid to contain sky-high land prices, the ministry has instructed banks to keep the growth of their property-related loans below that of their total lending.

Meanwhile, Minister of International Trade and Industry Eiichi Nakao expressed reservations Friday over an early cut in the official discount rate.

"Domestic demand is fairly strong, and it will take a while longer for interest rates to go down," he told a press conference after the cabinet meeting.

Analysts said Friday's announcement of a modest 3.0 percent increase in consumer prices in the Tokyo metropolitan area in May will add to the growing perception that prices are finally being brought under control, and will spawn renewed hopes in financial markets that the Bank of Japan will move to lower the key interest rate.

Current Account Surplus Surge Said Temporary

OW3105114891 Tokyo KYODO in English 1127 GMT 31 May 91

[Text] Tokyo, May 31 KYODO—A senior Finance Ministry official said Friday the surge in Japan's April current account surplus is temporary and does not signal an end to its continued shrinkage.

Vice Finance Minister Masami Kogayu told reporters the sharp increase was due mainly to a drop in oil imports as a reaction to an import rush in March ahead of the introduction of a new oil tax last month.

The tax hike was designed to cover some of Japan's financial contribution to the U.S.-led multinational forces that fought against Iraq in the Persian Gulf war.

Kogayu also attributed the increase to continued low numbers of Japanese travelling abroad, affected by the war and its aftermath.

The ministry announced earlier in the day that Japan's current account surplus in April nearly quadrupled year-on-year to 7,772 million dollars from 1,960 million dollars.

"The trend toward shrinkage in the surplus has not changed, nor has the political stance" of the Government, he said. "We shouldn't observe the figure from too short-term a basis."

Kogayu also said there is a need to keep a watch on land prices, although a report released on Thursday by a private research institute showed price declines in six major cities for the first time in 16 years.

He indicated that on a nationwide level, prices are still on the rise and the issue is not resolved.

According to the Japan Real Estate Institute, average land prices in Tokyo, Yokohama, Nagoya, Kyoto, Osaka, and Kobe fell by 2.0 percent in the September-March period compared with the period before. Land prices rose 5.1 percent in the previous six months.

Major Oil Companies' Pretax Profits 'Doubled'

OW3005102991 Tokyo KYODO in English 1016 GMT 30 May 91

[Text] Tokyo, May 30 KYODO—Japan's eight major oil companies Thursday reported that their combined pretax profits for fiscal 1990, which ended March 31, more than doubled to their second-highest level.

Their combined pretax profits posted a 2.5-fold increase from the previous year to 146.8 billion yen, the highest since fiscal 1980.

The oil firms attributed the increase to the yen's appreciation against the U.S. dollar over the year, which gave them a 27 billion yen bonus, a turnaround from the year before when their losses from exchange fluctuations totaled 22 billion yen.

Monthly increases in wholesale prices also allowed them to pass on the oil price hike caused by the Persian Gulf crisis and contributed to their pretax gains.

The firms also reported a 20.4 percent rise in combined sales from a year earlier, to 9,797.4 billion yen for fiscal 1990.

They credited the rise to brisk sales of gasoline and gasoil, which increased against the backdrop of a strong domestic economy.

The firms predicted decreased earnings for fiscal 1991 due to an expected drop in the price of petroleum products.

Following are the financial results for the eight largest oil wholesalers, in billions of yen, with the percentage of year-on-year increases in parentheses:

	Sales	Pretax Profit	Net Income
Nippon Oil	2,192.9	46.8	15.1
	("18.3)	("120.9)	("9.7)
Idemitsu Kosan	2,067.0	18.1	5.2
	("20.8)	("96.0)	("32.4)
Cosmo Oil	1,713.3	17.8	10.1
	("16.9)	("145.2)	("39.1)
Kyodo Oil	1,538.1	17.6	7.9
	("16.7)	("238.7)	("294.7)
Mitsubishi Oil	1,089.3	21.4	11.0
	("42.5)	("85.8)	("69.6)
General Sekiyu	579.4	17.4	8.7
	("19.2)	("407.9)	("57.0)
Kyushu Oil	347.8	5.4	2.2
	("17.6)	("419.0)	("270.4)
Kygnus Sekiyu	269.3	1.8	1.3
	("10.9)	("873.5)	("31.7)

MITI Reveals Fall in Industrial Producton

OW3105083191 Tokyo KYODO in English 0716 GMT 31 May 91

[Text] Tokyo, May 31 Kyodo—Japan's industrial production in the January-March quarter fell 0.1 percent from the previous quarter, the Ministry of International Trade and Industry (MITI) said Friday.

It was the first decline since the July-September quarter of 1989, and was attributed by MITI to lower output of what it classifies as products for final consumption.

Especially weak was production in the transport machinery sector, where the output slipped 4.4 percent from the previous quarter.

Weak production of automobiles, the principal culprit for dragging down industrial production, was caused by slow sales of new cars just before expected model changeover by some major makers, said Yukio Otsu, director of MITI's Statistics Analysis Division.

But as auto production picks up with the announcement of new models, the industrial production will remain on a firm footing, Otsu said.

The production index in the January-March quarter stood at a seasonally adjusted 128.8 against 100 in 1985.

The output at factories and mines in the quarter was 5.9 percent higher than the same period last year when compared on unadjusted basis.

Shipments in the quarter remained unchanged from the previous three months, with the shipment index standing at 129.5.

Compared with the same period of last year, shipments rose an unadjusted 4.9 percent.

Inventories in the January-March period climbed 3.4 percent from the preceding quarter, with the inventory index standing at 113.7.

Little Impact of U.S. GNP Seen on Money Rate

OW2905135591 Tokyo KYODO in English 1333 GMT 29 May 91

[Text] Tokyo, May 29 KYODO—A Bank of Japan [BOJ] source said Wednesday night that the upward revision of U.S. gross national product (GNP) for the first quarter will have little impact on exchange rates as it was within the range of market expectations.

The U.S. Commerce Department reported Wednesday that GNP, the total output of goods and services, contracted at a revised seasonally adjusted annual rate of 2.6 percent in the first quarter. The contraction rate was originally reported as 2.8 percent last month.

"It's basically past data, so it will not have any significant impact on the foreign exchange markets," said the central bank source.

Asked by reporters to comment on whether the American economy is pulling out of recession, the source said more time is needed to judge.

"When you look at (U.S) statistics for May so far, you'll find those which point to a recovery and those which suggest weakness as well. So it's difficult at this moment to draw a conclusion," he said.

Fall in Direct Overseas Investment Reported

OW3105124491 Tokyo KYODO in English 1214 GMT 31 May 91

[Text] Tokyo, May 31 KYODO—Capped by slow economic growth and high interest rates, Japanese direct investment abroad fell in the fiscal year ended March 31 for the first time in eight years, the Ministry of Finance (MOF) said Friday.

According to the ministry's direct investment report for the last fiscal year, which does not include direct real-estate investments, Japan's direct investment abroad fell 15.7 percent to 56,911 million dollars, down from 67,540 million dollars the year before.

The yen's decline against the dollar, a worldwide tightening of monetary policy, and a global slowdown in economic growth dampened cash flow from Japan, ministry officials said.

At the same time, the need for direct investment tapered off after an extended period of aggressive capital spending to set up Japanese manufacturers and financial institutions abroad.

Standing out was the year-on-year 19.8 percent dip in direct investment in North America, which accounts for close to half of Japan's investment abroad.

Investment in Central and South America fell 30.7 percent, while in Asia it was off 14.4 percent from a year earlier.

However, Japanese investment was down only 3.5 percent in Europe, as Japanese companies scrambled to establish themselves ahead of the full integration of European markets scheduled for 1992.

"Not all companies are choosing to expand to new markets abroad anymore. Some are deciding to focus on the domestic market," a ministry official said.

"We see more expansion of investment in European and Southeast Asian nations.

"In the long run, we see the yen regaining ground against the dollar, and direct investment abroad continuing with the globalization of Japanese industry," he said.

A look at Japanese direct investment by industry shows the trend away from nonmanufacturing investment, notably financial and real-estate companies.

Investments in the nonmanufacturing sector, which account for close to 70 percent of Japanese investment abroad fell 19.6 percent per annum, led lower by a 47.7 percent drop in financial and insurance investments. Manufacturing investment, meanwhile, fell only 4.9 percent.

Figures for foreign direct investment in Japan for the same period were also released, showing a 2.9 percent drop from the year before to 2,778 million dollars.

Ministry officials said that despite the slight decline, foreign investment is still at high levels considering that annual foreign investment never climbed above 1 billion dollars until fiscal 1987.

Bank of Tokyo Decreases Debtor Nations Lending

OW2705145091 Tokyo KYODO in English 1323 GMT 27 May 91

[Text] Tokyo, May 27 KYODO—The Bank of Tokyo announced Monday its outstanding loans to Third World debtor countries fell substantially in fiscal 1990.

The bank, which frequently extends loans to some of the world's poorest nations, said the amount of such loans fell by 163.7 billion yen to 410.1 billion yen in the fiscal year ended March 31.

The bank's fiscal 1990 earnings results also showed reserves for possible bad loans being raised to the equivalent of 30 percent of outstanding loans.

The bank's outstanding loans to developing nations peaked at some 920 billion yen in the fiscal year ended

March 31, 1985. At that time, the bank's reserves for possible loan losses were equivalent to only five percent of the total lending.

NEC Plans To Build New Semiconductor Plant

OW2705140191 Tokyo KYODO in English 0823 GMT 27 May 91

[Text] Tokyo, May 27 KYODO—NEC [Nippon Electric Company] Corp. said Monday it plans to build a new semiconductor plant in Tsuruoka, Yamagata Prefecture, in northestern Japan to expand production of custom-made large scale integrations (LSI).

Officials said construction on the 50 billion yen plant is scheduled to begin in the third quarter of fiscal 1991 and should be completed in the latter half of 1992.

Mass production of custom chips such as application specific integrated circuits, memories, and microcomputers will start in the first half of 1993.

Custom chips are used for specific applications in a wide range of consumer products and computers.

The plant will produce 6-inch wafers and 5 million semiconductor devices a month, officials said.

Mongolia

Hural Approves Privatization Law 22 May

OW2505072991 Beijing XINHUA in English 0715 GMT 25 May 91

[Text] Ulaanbaatar, May 25 (XINHUA)—The Mongolian Small People's Hural, the permanent supreme power organ of the state, approved a privatization law on Wednesday [22 May] with 72.3 percent of the votes cast in favor, the newspaper "PEOPLE'S RIGHT" reported today.

Under the new law, privatization will fall into two categories: industrial privatization and privatization in commerce and catering trade.

Ways of privatizing the properties in farms will be decided by farmers, the law says.

The government will issue securities to every citizen for buying the stocks and properties of factories and other enterprises. Meanwhile, state properties will be distributed to citizens gratis.

The country has begun to privatize properties in commerce and catering trade since May 1. It plans to privatize 40 percent of state-owned factories and enterprises in two or three years so that the private economy will make up 70 percent of the total national economy.

The law will be enforced after it is approved by the Mongolian president.

Party Official Advocates Regulated Market

OW3005092491 Beijing XINHUA in English 0606 GMT 30 May 91

[Tex] Ulaanbaatar, May 29 (XINHUA)—The only way to overcome the economic crisis in Mongolia is to introduce state-regulated market economy, Badamdorjiyn Bathishig, secretary of the Central Committee of the Mongolian People's Revolutionary Party, said recently.

In an interview with the newspaper "TRUTH (UNEN)," Bathishig said that in Mongolia, where the old system is being replaced by the new, a host of contradictions have emerged to drive the internal and external economic relations into disorder.

He noted that because the relations between the central and local governments have been cut loose, the policies of the central authorities are being carried out poorly, labor discipline is slack and unlicenced economic operations are prevailing. All these have led to declining social production, growing unemployment, financial deficits, and foreign exchange shortage. The country is confronted with a more serious economic crisis, the secretary added.

Bathishig pointed out that the past practice of central planning and issuing administrative orders cannot cope with the present economic crisis and that a market economy with proper control will also lead to a worsening economic situation. [sentence as received]

The party leader went on to say that in order to overcome the economic crisis within a short period, effective measures must be taken to ensure normal production in factories and enterprises, to mobilize national resources for a drive for self-sufficiency, to support private enterprises and services, to lay down a unified policy for practising economy, to place mines, electric power departments, railways and aviation under the leadership and supervision of the state, and to create more jobs, etc.

He stressed that in switching to the market economy, it is important to privatize part of state properties.

North Korea

PRC UN Representative Receives Application

SK3005024891 Beijing Radio Beijing in Korean 1100 GMT 29 May 91

[Text] The PRC standing representative to the United Nations, this month's president of the Security Council, received yesterday an application for admission to the United Nations from the DPRK Government. He distributed the application to the members of the UN Security Council yesterday.

According to a report from the station correspondent in Washington, a spokesman for the U.S. State Department said yesterday that the United States welcomes the DPRK's announcement to enter the United Nations.

Korean Envoys Consider Talks on UN Membership

OW2905034691 Tokyo KYODO in English 0325 GMT 29 May 91

[Text] New York, May 28 KYODO—The chief North Korean representative to the United Nations said Tuesday he may meet with his South Korean counterpart to thrash out the timing of their countries' applications for separate UN memberships.

The South Korean UN envoy, however, suggested that Seoul may speed up its own application for membership now that Pyongyang has announced its intention to join the world body separately.

Pak Kil-yon, ambassador to North Korea's UN observer mission, said he is ready to use the "usual channels" to talk with the South Korean ambassador, No Chang-hui.

Both North and South Korea keep an observer mission at the United Nations with ambassadorial ranks in the absence of formal membership.

North Korea, dropping its insistence for single UN membership for the two Koreas, announced in Pyongyang Tuesday that it was seeking its own membership in the world body along with South Korea.

Pak's statement, made in response to a query from KYODO News Service, suggested that the two Koreas may agree to coordinate the timing and send membership applications simultaneously to the United Nations.

North Korea has not said when it will make the application, but Pak said it will be made in time for Pyongyang to be admitted when the UN General Assembly opens its annual session in mid-September.

By UN regulations, applications for UN membership must be forwarded to the UN Secretary General 35 days prior to the opening of the General Assembly annual session.

The South Korean envoy told KYODO that he is willing to talk with Pak on the timing of membership applications, but Seoul may move up its timing.

Seoul had intended to send in its application as late as possible—in July or August—in case Pyongyang accepts Seoul's bid for separate membership, he said.

"Under the new circumstances, we no longer have to wait," No said.

South Korea is likely to submit the membership in June or July "irrespective of the result of consultations" with Pak, he said.

While some diplomatic sources at the United Nations say the two Koreas are likely to apply jointly as a symbol of cooperation, others speculate that they may try to beat each other in the timing of the application out of prestige.

Choe U-chin Interviewed Regarding UN Entry

SK3105053091 Pyongyang Korean Central Broadcasting Network in Korean 0736 GMT 30 May 91

[Interview with roving Ambassador Choe U-chin by station commentator Yi Hui-mun in a program entitled: "Just Measure Taken To Overcome Prevailing Temporary Difficulties"; date and place of interview not given—live or recorded]

[Text] [Yi Hui-mun] As stated in the DPRK Foreign Affairs Ministry statement, our country has made clear its stand on the issue of entering the United Nations. I consider it a very appropriate step that fully corresponds to our policy on UN membership consistently maintained by our party and the Republic's Government. I would like you to tell us about this in detail.

[Choe U-chin] In foreign policy as in domestic policy, our Republic embodies the ideals of independence, friendship, and peace based on the chuche idea. So in the past, our country has consistently maintained our policy toward the United Nations based on foreign policy as such.

This being the case, it is not the first time that our country has made clear its stand on entry into the United Nations. It should be stated as an expression of our UN policy which has been kept in place since the day our Republic was founded.

When it comes to its mission and objectives, the United Nations is said to seek to maintain peace and stability in the international community and to develop friendly and cooperative relations among countries and people.

Our Republic also pursues in its foreign policy the ideals of independence, friendship, and peace. As you can see now, the objectives sought by the United Nations and our Republic are identical. So our entry into the United Nations according to the ideals of our foreign policy as such is what we have been calling for from the day our Republic was founded. To date, we have made efforts to realize it.

On the one hand, we have to take into account the special condition of our country—its division—when it comes to the issue of our entry into the United Nations. So we have made consistent efforts to settle the issue of our entry into the United Nations in a way that subjects it to national reunification and that is favorable to realizing the cause of national reunification.

On the other hand, we have been making efforts to settle the issue of our entry into the United Nations independently and on our own initiatives, according to the demands of the changing situation.

All told, our proposal this time for applying for UN membership is not new, not the first time it has been put forward, but can be seen as one of the policies that our Republic has consistently and independently enforced since the day the Republic was founded, as well as the continuation of such a policy.

[Yi] That means our country's decision to apply for UN membership announced in the statement is but the continuation of our policy toward the United Nations that our party and the Republic's Government have consistently maintained.

Now would you please tell us, based on data, as to what patriotic and nationalist efforts our country has made to date for national reunification according to the policy of our party and the Republic's Government.

[Choe] As I have told you already, from the day our Republic was founded we have made consistent efforts to become a member of the United Nations as a dignified, independent, sovereign state. It was on 9 February 1949 that our Republic applied for UN membership. We sent a letter to the UN secretary general asking to be accepted as member of the United Nations. Our applying for UN membership was quite proper and it should have been realized.

According to the qualifications for UN member states as defined by the UN Charter, states aspiring to be UN members should accept the stipulations in the UN Charter and should be capable of fulfilling such stipulations. Only peace-loving countries willing to fulfill the stipulations can become UN member states.

As is widely known, our Republic has been a dignified, independent, sovereign state from the day it was founded, since it was established according to the entire Korean people's consensus, was it not? So when it filed an application for UN membership in February 1949, it should have been accepted as a UN member state.

However, our admission into the United Nations has not been realized thanks to such Western countries as the United States. So in January 1952 our Republic tried once again for UN membership and made efforts to realize that goal. But it once again ended in futility.

In the meantime, the United States and the South Korean authorities assumed their maneuver to fabricate two Koreas as part of their policy and began calling for a simultaneous admission of the North and South into the United Nations in the seventies.

In response to this, our Republic put forward an epoch-making proposal for the two sides entering the United Nations under one national name following the realization of the conferderation.

This was part of the consistent efforts by the government of our Republic to resolve the UN admission issue for the sake of reunification. However, the South Korean authorities did not affirmatively respond to this proposal.

Taking advantage of the rapidly changing international situation with the beginning of the 1990's, the South Korean authorities frequently kicked up maneuvers to enter the United Nations alone while stating that they would do so if we did not affirmatively respond to their proposal for simultaneous UN admission.

Under these circumstances, we advanced a proposal that, if the North and South enter the United Nations before reunification is achieved, they do so as a single member for the sake of the reunification cause, instead of entering separately, in other words, entering it as two separate members. Our proposal is very just and reasonable, not only in view of our people's desire for reunification but also in view of the United Nations' mission. Still, this proposal has not been realized.

In particular, to resolve the issue of UN admission as a single member, we presented this issue in the North-South high-level talks as one of the issues which must be resolved urgently, and we made every effort to reach an agreement. We presented this issue because entry into the United Nations is an internal issue which the North and South must resolve within the nation and which is directly linked to the reunification of the fatherland. However, the South Korean authorities did not show any sincerity in resolving this issue in the North-South high-level talks. Therefore, this proposal could not be realized.

[Yi] Even though our party and the government of our Republic patiently made patriotic efforts to realize this proposal for the sake of reunification, the UN admission issue could not be resolved because of the antirevolutionary, antinational maneuvers of the South Korean authorities. The government of our Republic could not help but express our intention to apply for UN admission at home and abroad at this time, as noted in the statement, as a temporary measure to overcome the current difficult situation which has been artificially created by the South Korean authorities. Is that correct?

[Choe] That is right. The South Korean authorities have considered sole UN admission as their policy. To unilaterally carry out this policy, they sent a so-called government memorandum to the UN Security Council, sent special envoys and government delegations to various countries of the world to carry out entreaty diplomacy, and kicked up various other maneuvers for their sole UN admission.

In particular, recently contact took place between the permanent observers of the North and South to the United Nations. During this contact, we again come to know that the South Korean authorities' policy of sole UN admission is unchanging and very steadfast.

Seizing the opportunity of the 42d UN General Assembly this fall, the South Korean authorities are trying to realize their sole admission. This attempt is a serious crime of trying to divide one Korea into two. The South Korean authorities will not be able to evade their responsibility for this attempt in history, before our nation and for posterity.

We cannot sit by idly and watch the South Korean authorities' admission into the United Nations. If the South Korean authorities enter the United Nations alone, it is very clear that important matters related to the interests of the entire nation will be treated in a biased manner and not discussed fairly, thus bringing about grave consequences. It is clear to everyone that we cannot sit by idly while this occurs. Therefore, the government of our Republic has chosen to enter the United Nations at present in order to overcome this difficult situation caused by the South Korean authorities. We unavoidably took this measure because of the situation caused by the divisionist maneuvers of the South Korean authorities. This fully reflects our Republic's independent foreign policy of responding to the rapidly changing situation through our own initiative.

After entering the United Nations, we will make efforts to overcome difficulties that have been newly created by the South Korean authorities on the road toward reunification, and to ensure that the North and South take a single UN seat. In the United Nations, we also will make positive efforts to ensure that the issue of the reunification of the fatherland and international issues will be resolved in compliance with our national interests as well as peace and stability in the world. Needless to say, the international prestige of our Republic will be further heightened.

[Yi] Thank you very much for helping us to better understand why the Government of our Republic has chosen to apply for UN membership during this program.

[Choe] Since the Foreign Ministry released its statement on the position of the Government of our Republic, it has been loudly said in the international arena that this is just and reasonable. This has also been supported and welcomed. This clearly shows how just and reasonable the measure by the Government of our Republic is.

[Yi] Thank you very much.

CPRF Vice Chairman Han Si-hae Interviewed

SK3105130091 Seoul HANGYORE SINMUN in Korean 30 May 91 p 6

[Interview with Han Si-hae, vice chairman of the Committee for the Peaceful Reunification of the Fatherland of North Korea, by New York-based correspondent Chong Yon-chuon on 28 May in New York]

[Text] [Editor's note: On 28 May, the day of North Korea's announcement of its decision to enter the United Nations, correspondent Chong Yon-chu had an interview with Han Si-hae, vice chairman of the Committee for the Peaceful Reunification of the Fatherland (CPRF) of North Korea. Han Si-hae is now visiting the United States at the invitation of an organization of the U.S. Presbyterian denomination church to attend a seminar on reunfication of Christians in North and South Korea and compatriots overseas which is now being held in New York. The following is the content of the interview with Han Si-hae—end editor's note]

[Chong Yon-chu] North Korea has decided to enter the United Nations. What do you, as the former ambassador to the United Nation, think of this?

[Han Si-hae] Our government's decision to enter the United Nation was an inevitable step. As is known, our stand toward the United Nations is to enter the United Nations as a dignified reunified state, and we have insisted on entering it with "one seat" as a transitional step. However, since early this year the government in the South has been making desparate efforts for separate entry. Entry into the United Nations should be conducive to creating the circumstances favorable for reunification. Nevertheless, the government of the South has sought the splittist policy of separate entry by taking advantage of the changes in the international situation.

If and when the South side enters the United Nations unilaterally, this would likely create the misunderstanding that the South side represents Korea in the United Nations as well as in other fields. So, as an effort to prevent this, we have inevitably decided to enter the United Nations.

[Chong] North Korea's entry into the United Nations means that two Koreas exist in reality, doesn't it?

[Han] Even after entering the United Nations, the North and the South should continue to make efforts to lead the United Nations to become not an arena that hinders national reunfication but an arena that is conducive to achieving national reunification. We will continue to make efforts for the realization of UN activity through one seat. If people think that our policy has been changed into the "two Koreas" policy, this is a big mistake.

When the North and the South enter the United Nation's separately after agreeing in advance to do so, this clearly constitutes the recognition of two Koreas. However, the South Korean side's efforts for unilateral entry into the United Nations will hinder reunification, and leaving the South Korean side's efforts for unilateral entry as they are will run counter to national interests. Therefore, as an effort to prevent this we have inevitably decided to enter the United Nations at this time.

Anyway, such an abnormal situation, which is a product of the sufferings of division, should be rectified in the future. Comparing the moves in connection with the issue of entering the United Nations with the formation of the single table tennis and soccer teams between the North and South that we experienced recently, I cannot but think that we politicians are less creditable than sportsmen. If we had dealt with the issue of entering the United Nations from the standpoint of national interests, we would not have such a situation as we face today.

[Chong] When and how will you file an application for a UN seat?

[Han] It is up to the experts who know the procedures.

[Chong] Commenting on North Korea's decision, the U.S. State Department said today (28 May) that "it welcomed the decision." Do you see any potential obstacles to your applying for a UN seat?

[Han] If it had been welcomed by the United States, there will be no great obstacles.

[Chong] One U.S. scholar interpreted North Korea's decision to apply for UN membership not as diplomatic defeat or regression, but as signs of North Korea's perestroyka policy. At any rate, North Korea's refusal to comply with an international nuclear inspection constitutes the biggest stumbling block in improving relations between Japan and North Korea, and between North Korea and the United States.

[Han] It is a matter related to our independence and national pride. Development of relations between countries should be based on mutual respect. One side's imposing unilateral conditions on the other side can be found only in relations of subjugation. We are fully prepared to accept nuclear inspection. We have no intention of producing nuclear weapons, nor the ability to do so. This notwithstanding, the United States deliberately makes an issue of our nuclear facilities while keeping its nuclear weapons in the South.

[Chong] Although you insist that you have no intention or ability to produce nuclear weapons, even foreign scholars who try to be objective in perceiving North Korea believe that your country has entered the stage of developing nuclear weapons.

[Han] I do not know whether they have the knowledge about nuclear technology or not, but it is a wrong guess. If the United States remove nuclear weapons from the Korean peninsula, we are willing to place all of our nuclear research facilities under inspection. The two countries have so different perceptions about the other that we and the United States should iron out the differences through negotiations. If and when the two countries conduct serious and productive dialogue, they will have no problem that they cannot solve.

[Chong] It was six years ago when you came last to New York. Do you see any changes?

[Han] On the surface New York does not seem to have changed. But a close look reveals great changes have taken place in the Korean community in the United States, and there are signs of changes in U.S. policy. While I was ambassador of our country's mission to the United Nations, we were not allowed to go farther than 25 miles radius from our residence. [Editor's note: It remains the same even now.] Despite the fact that I am vice chairman of the CPRF and a member of the Supreme People's Assembly's Diplomatic Committee, the United States issued me a visa without hesitation and told me I can go to Boston, Baltimore, Washington, and Los Angeles, not to mention New York. I can go anywhere in the United States. In the past, such a thing would have been inconceivable.

[Chong] I hear that during the symposium of the Christian scholars the North's chuche idea and Christian ideals are to be compared and analyzed.

[Han] In the chuche idea, man is perceived to be the master of everything and the owner of social and political life, not to mention that he is the owner of biological life. So man is perceived to be part of collective lives in the chuche idea in which equality, love, firm unity, and solidarity are emphasized. So it is not the opposite of the Christian spirit that takes stock of love for neighbors and the nation.

North Denies 'Rumor' of Nuclear Development

SK3105060291 Pyongyang KCNA in English 0437 GMT 31 May 91

["Poor Brainchild"—KCNA headline]

[Text] Pyongyang May 31 (KCNA)—NODONG SINMUN today carries a signed commentary titled "Poor Brainchild".

The commentary reads in full:

They say the crime committed under the veil of "legitimacy" and "justice" is the most grave crime in the world.

This fits the case of some forces which invent a "nuclear spectre" under the specious cloak of "guarantee of peace" and use it for putting pressure upon and threatening us.

The United States is nowadays getting more hysteric in setting afloat a freshly-packaged groundless rumor of "nuclear development" by us with the mobilisation of its paid media and some publications of South Korea and foreign countries.

They say U.S. satellite data showed a sharp increase in the ground temperatures in the area where our "atomic reactor facilities" are situated in mid-May and even made a shocking report that an investigation is being made into whether North Korea carried out an underground nuclear test because such a "sharp increase in the ground temperatures" was the result of an "artificial factor".

In other words, the ground temperatures rose abruptly from the normal degree and an investigation into this is being made because we might have conducted an "underground nuclear test".

These utterances of those who stoop to any infamy in gratifying their sinister desire and are accustomed to lies and fabrications are enough to make a weasel blush for shame.

According to our meteorological observation data, the ground temperatures in the area in question at that time recorded normal without up or down.

Promptly reacting to the reports about the "underground nuclear test" spread by media of the United States and some other countries, academic and press circles of many countries said that they "lack credibility and sure ground." They say "the increase of ground temperatures cannot be regarded as have been caused by an underground nuclear test in the absense of a seismologic record."

Judging from the commotion they are raising by inventing a shocking phenomenon of "high temperatures" and linking it with an "underground nuclear test," it is proper to say that they, after picking unreasonable quarrels to impair the authority of our republic and "isolate and stifle" it in international arena with the problem of the nuclear safeguards accord and nuclear inspection, are now playing such a clumsy and dirty drama in reliance upon a satellite, finding themselves in a poor position, left without any more trump card.

Our people are more interested in peace than anybody else, and the DPRK Government always firmly adheres to denuclearization and anti-nuclear policy.

The proposal of the DPRK Government to turn the Korean peninsula into a nuclear-free, peace zone and its efforts to carry it into effect are living proof of this.

As for the nuclear weapons, we have declared more than once that we have no intention to develop them nor need nor capacity to manufacture them.

This notwithstanding, the United States is behaving impudently to trap us, persistently clamouring about "nuclear development" on our part.

A typical example of this is that the United States is these days trying to shift on to us the responsibility for "nuclear diffusion" on the Korean peninsula.

Solomon, assistant secretary of the U.S. State Department in charge of East Asia and Pacific Affairs, said some time ago that North Korea is to blame if the problem of nuclear diffusion occurred on the Korean peninsula.

They have gone too far in reversing black and white. Who is staging nuclear war exercises against us every year after deploying a large number of nuclear weapons in South Korea? They, shutting their eyes to this, are trying to shift the responsibility for "nuclear diffusion" on to us. This is a downright self-deception.

Such behaviour of the United States is nothing but a third-rate drama to cover up its unjust act shunning the denuclearisation of the Korean peninsula, disarmament and the adoption of a nonaggression declaration, having covered South Korea with "nuclear forests".

There is another fact that must not go unnoticed. The United States raised anew the argument for the removal of our "nuclear fuel reprocessing plant".

According to the May 15 issue of Japanese "NIHON KEIZAI SHIMBUN", Under-Secretary of State Kimmit and Under-Secretary of Defence Wolfowitz came out with the problem of the removal of our "nuclear fuel reprocessing plant" at talks with the Japanese side during their recent visit to Japan.

We may well guess that they seek to incite among the world people one more misgiving that if we possess the "reprocessing plant" we may get nuclear development capacity in the future, even if we accept "nuclear inspection".

If we follow their argument, only our "reprocessing plant" poses a problem, as it is fraught with the danger of nuclear weapon production while the plants of other countries do not matter. Can this kind of theory and assertion actually persuade the people with normal thinking power?

A newspaper of Japan, in a commentary on this question, said Japan also has reprocessing plants for peaceful purpose and it is illogical to say only North Korea is denied the right to have a reprocessing plant.

Facts prove that the United States is making desperate efforts to create a condition for putting a collective pressure upon us after making our "nuclear development" fait accompli in the eyes of the world public.

Now we want to say a few words to a few press maid servants joining the United States.

Some time ago, a Western newspaper wrote that we "may use nuclear weapons as a forceful means to achieve the reunification in a socialist way".

This means that we might reunify the country with nuclear weapons. Those who act under the baton of the United States which styles itself "the only superpower" have gone to such an extent only to reveal their own wretched and disgusting sight.

All the facts fully show that the United States which has become arrogant after the Gulf war is pulling its full weight on the anti- DPRK campaign and trying to craftily foster and take advantage of the fear of nuclear weapons and uneasiness to inveigle its satellite forces into it.

In the past the United States dragged different countries into the Korean war by abusing the U.N. flag and it is clear that, today when such method does not work any more, it seeks a U.S.-led crusade expedition" against the DPRK over the problem of "nuclear development".

World public is unbiased and truth is bound to be made clear.

If the United States truly wants the denuclearisation and peace on the Korean peninsula, it must not try to make "nuclear spectre" hover over the international community and put a collective pressure on us but must come out to negotiation with us from a fair stand.

The forces following the United States must act with discretion, seeing reason with their own spirit.

28, 29 May U.S. Aerial 'War Exercises' Reported

SK3105052191 Pyongyang KCNA in English 0432 GMT 31 May 91

[Text] Pyongyang May 31 (KCNA)—The U.S. imperialists and the South Korean authorities openly staged war exercises against the North on May 28 and 29, according to military sources.

The U.S. imperialists brought a Pacific-based E-3A AWACS [Airborne Warning and Control System] plane to the sky above South Korea on May 29 to command flying corps mobilized in an aerial exercise against the North and perpetrated an aerial espionage on our side's area in the western sector of the front by letting an electronic warfare helicopter make a shuttle flight.

The U.S. Pacific Airforce Command on May 28 sent formations of fighter-bombers based in the Pacific and fighter-bombers, assault planes, observation planes and transport planes belonging to the U.S. Airforce present in South Korea and the puppet airforce, more than 250 all told, to the sky above the west coast for a large-scale joint air strike exercise against the North.

That day, the U.S. imperialists and the South Korean puppets sent scores of armed helicopters to the sky above the Military Demarcation Line [MDL] and staged an exercise for striking the northern half of Korea by ultralow flight at night.

The South Korean puppets on May 29 sent formations of 500-MD armed helicopters to the sky above Sangsa-ri, Cholwon County, South Korean Kangwon Province, adjacent to the MDL to stage ground strike and take-off and landing exercises.

They massively deployed 105mm guns in Paju, Cholwon and Yonchon Counties on May 28 and 29 and threatened us, firing shells towards an area near the MDL.

Daily Warns Imperialism 'Remains Unchanged'

SK3005125591 Pyongyang KCNA in English 1005 GMT 30 May 91

["Aggressive Nature of Imperialism Never Changes"—KCNA headline]

[Text] Pyongyang May 30 (KCNA)—The aggressive and predatory nature of imperialism remains unchanged and it gets more ferocious and brazen as its position weakens, says NODONG SINMUN in an article today.

The author of the article says:

That aggression and plunder is the invariable nature of imperialism and it gets more vicious has been fully proved by the history of about one century in which the imperialists emerged and have developed and by its crimes in the international arena today.

Most of the wars, big and small, that broke out in the world after the Second World War were aggressive and predatory wars unleashed directly or indirectly by imperialism.

It is also a result of its aggression and plunder that many developing countries of the world are suffering from acute pains with hunger, poverty, disease and debts, not yet freed from age-old backwardness.

The U.S. imperialists are intensifying the anti-communist, anti-socialist offensive as never before, after putting forward such dominationist doctrine as "a new world", "a new global order," etc.

Seeking to start a world war and local war for realizing their wild design for world supremacy, they are desperately clinging to the "peaceful transition" strategy while continuing to step up the policy of strength.

The imperialists are trying to benumb the revolutionary consciousness of people through ideological and cultural infiltration, buy them over economically with "aid" and "cooperation" and create a socio-political confusion by instigating reactionaries. Thus they are trying to bar the independent development of those countries and drag them into their political and economic sphere.

The peoples who champion independence must not mistake the change of the aggressive method of the imperialists for a change of their nature or be taken in by their crafty ruse and disguise but maintain a principled stand toward them, not harbouring any illusion and hope for them.

The world revolutionary people should turn out more actively in a struggle to frustrate the imperialists' moves of domination and plunder, aggression and war, closely united under the banner of independence against imperialism.

Chong Won-sik Denounced for Teachers Union Stand

SK3105060491 Pyongyang KCNA in English 0429 GMT 31 May 91

[Text] Pyongyang May 31 (KCNA)—Chong Won-sik, "acting prime minister" of South Korea, at a "press conference" on May 27 revealed his intention to suppress the "National Teachers Union" (Chongyojo), an independent organisation of the South Korean teachers, a radio report from Seoul said.

Hurling mud at thousands of members of "Chongyojo" who were dismissed while he was "education minister", Chong Won-sik said that it is difficult to recognise their purity and that if the members of "Chongyojo" became a political force, they could not be reinstated.

He even insulted the struggle of students for independence, democracy and reunification, alleging that it was caused by "the perverse viewpoint of the students."

Thus he openly declared he would take the lead as in the past in repressing campus and stifling "Chongyojo".

The days of the puppet acting prime minister who revealed his fascist nature will not be long.

NODONG SINMUN Views Student's Death

SK3105114891 Pyongyang KCNA in English
1057 GMT 31 May 91

["Murderer Cannot Conceal His True Color"—KCNA headline]

[Text] Pyongyang May 31 (KCNA)—The No Tae-u group is defending itself under every conceivable poor excuse to evade the responsibility for the criminal murder of woman student Kim Kwi-chong of Sungkyunkwan University.

Commenting on this, a NODONG SINMUN analyst today says:

The fascist clique is insisting that the death of coed Kim Kwi-chong was not caused by police violence but it was an "accident" which happened in a "narrow back lane" and she was crushed dead by falling demonstrators. And it is defending itself by saying that the scene of the death was not the place initially reported and police had never fired tear-gas canisters nor encircled and oppressed demonstrators.

This is a ridiculous insistence which can go down with no one.

The fact that coed Kim Kwi-chong was beaten to death by the fascist police was clearly proven by testimonies of many eyewitnesses and the photograph taken on the spot of the murder.

Kim Ki-hun, a fourth-year student of Kongju National Teachers' College who witnessed the murder said that combat police surrounded coed Kim Kwi-chong for five minutes or more, brutally beating her. Yom Ku, a first-year student of Chungbuk National University, too, told a press conference that he saw policemen surrounding Kim Kwi-chong and 150 other students, firing tear-gas at them and beating them at the entrance of the back lane where coed Kim was found dead. And the photograph taken by students on the scene of murder is a convincing evidence proving that fascist police beat her to death.

How can the South Korean authorities deny these hard facts?

They cannot pull the wool over the eyes of the people.

The traitor No Tae-u must apologize to the nation for his unprecedented crimes in killing or throwing into critical conditions more than 20 students and people in one month and step down and face judgement by history as unanimously demanded by the people.

Students Committee Condemns 'Murder'

SK2905113291 Pyongyang KCNA in English
1008 GMT 29 May 91

["Korean Students Committee Condemns South Korean Fascist Clique's Murder of Student Kim Kwi-chong"—KCNA headline]

[Text] Pyongyang May 29 (KCNA)—The Korean Students Committee in a statement today vehemently condemned, in the name of the entire students in the northern half of the country, the South Korean military fascist clique's appalling, brutal murder of Kim Kwi-chong, a woman student of Sungkyunkwan University in Seoul.

Recalling that the riot police beat student Kim Kwi-chong to death during a demonstration in Seoul on May 25, the statement said:

This appalling, brutal murder is unprecedented in the preceding military fascist dictatorial "regimes" of South Korea and in the world history.

The murder of the woman student is a heinous criminal act of those murderers who consider human life not worth a fly and a bestial act unpardonable in a modern, civilized society.

The brutal murder is an inevitable product of the harsh military fascist rule of the present "Sixth Republic" which, upset by the fierce anti-U.S., anti-fascist struggle, is running wild in man-slaughter, bereft of human conscience and reason.

The South Korean fascist clique is playing such a petty trick as replacing the puppet prime minister and some "cabinet" members in a bid to cut down the indignation and resentment of people and control public sentiment.

We firmly believe that one million fellow students burning with a sense of justice in the South, will rise up as one together with workers, farmers and other people to satisfy the grudge of Kang Kyong-tae, Kim Kwi-chong and other martyrs and resolutely fight to the end to put a stop to the fascist terrorist rule and realise their noble desire for independence, democracy and reunification.

We express the conviction that international youth and students organisations which love justice and truth, youth and students organisations and political and public figures of all countries will lift louder voices denouncing the fascist hangmen's brutal suppression of South Korean youth and students and continue extending active support and solidarity for the just struggle of the patriotic youth and students to remove the terrorist rule.

Amnesty International Action Toward South Viewed

SK2905055291 Pyongyang KCNA in English 0423 GMT 29 May 91

[Text] Pyongyang May 29 (KCNA)—The Secretariat of the Amnesty International issued an appeal to its branches throughout the world, calling on them to actively work for the release of prisoners of conscience including leading members of Chonminnyon [National Democratic Alliance of Korea] Kim Kun-tae, Rev. Hong Kun-su and Chang Myong-kuk who were unreasonably arrested by the No Tae-u ruling group recently.

The Amnesty International defined Yim Su-kyong, Mun Kyu-hyon, Yu Won-ho, Yi Hae-hak and others as prisoners of conscience and urged their immediate release.

In an emergency appeal to its branches in all countries on May 8, the Amnesty International informed them in detail of the truth behind the death of Pak Chang-su, chairman of the labour Union of the Hanjin Heavy Industries Co., and instructed its national branches to send letters of protest or appeal to the South Korean authorities in denunciation of their murder of active labour unionists and in demand of the immediate release of the unreasonably arrested unionists.

Telephone Response Sent Concerning Stranded Boat

SK2905104891 Pyongyang KCNA in English 1003 GMT 29 May 91

["Telephone Message to South Korean 'Home Minister'"—KCNA headline]

[Text] Pyongyang May 29 (KCNA)—Choe Pok-yon, chairman of the Fisheries Commission of the DPRK, sent a telephone message to South Korean "Home Minister" Yi Sang-yon today.

Acknowledging the receipt of the May 28 telephone message of the South side urging our side to salvage its fishing boat stranded in the sea off Tokchok Islet, Ongjin County, Kyonggi Province, Choe Pok-yon said he could not but express regret at the ultimatum-like and unilateral content of the message.

He said:

I make it clear again that it is our invariable stand to salvage our fishing boat stranded in the waters of your side.

I hope your side will leave the boat as it is, as we intend to salvage and bring back the boat at a time we think fit.

At the request of Choe Pok-yon, Yi Song-ho, acting chairman of the Central Committee of the Red Cross Society of the DPRK, today sent the message to the addressee through Kim Sang-hyop, president of the South Korean Red Cross.

South Korean Defector Interviewed in Pyongyang

SK2505050691 Pyongyang KCNA in English 0421 GMT 25 May 91

[Text] Pyongyang May 24 (KCNA)—A South Korean young man Yun Ki-kwon who defected to the northern half of Korea through a third country some time ago was interviewed by home and foreign reporters here today.

Hailing from Sinmyon-ri, Yipan-myon, Chongup County, North Cholla Province, Yun, 29, served in a defence corps and, after demobilization, worked as a fine artist at the Hyondae Theatre in Kwangju. Then, he wrote slogans and placards and painted posters as a member of an activist organisation.

Explaining the motive of his defection, Yun Ki-kwon said that listening to lectures of Kim Il-song Radio University, he realised that the great leader President Kim Il-song and the dear leader Mr. Kim Chong-il are great politicians and grasped the profound truth of the chuche idea and clearly understood that the North is a people-centered society and in this course his longing for the North grew intense day by day and his determination to go to the North became unshakable.

Moreover, he made up his mind to desert the South Korean society because of the despair into which he was driven by his hopeless prospect there, he said, and continued:

It is the southern land where one cannot live as conscience dictates him and only despair awaits those who want to live with conscience.

Many activist organisations operate in South Korea and they conduct brisk awakening activities.

Most of those organisations adopt the chuche idea as the textbook of their awakening activities. Kim Il-song's selected works, and other works of the great leader, "On the Chuche Idea" and other works of the dear leader, and "The Flower Girl," original books of the northern half of the country, are avidly read among the people.

"Song of General Kim Il-song", "Korea Is One" and other songs are briskly disseminated and many South Korean people openly sing songs of North Korea.

Yun Ki-kwon, a participant in the Kwangju popular uprising, spoke of the murder of student Kang Kyong-tae and other tragic incidents in South Korea today.

Stating that no South Koreans like the United States, he said this is because they know well that the mamipulator of the Kwangju massacre is the Americans.

The demand of the people for democratisation has not yet been realised and brutal murder continues in South Korea like at the time of the Kwangju uprising 11 years ago because the No Tae-u ruling group manipulated by the United States is left alone, he said, and went on: With the present "regime" left as it is, democratisation and reunification cannot be achieved.

He demanded that the South Korean authorities scrap the "National Security Law", immediately set free all the prisoners of conscience including the arrested students and get the U.S. imperialist aggressors and nuclear weapons withdrawn without delay.

Seeing that only the North is stoutly defending socialism without wavering today, I renewed my conviction that the politics of the great president and the dear leader is excellent, indeed, Yun said.

In no other places of the world is there such a wonderful society where all the people are equal, there is no one particularly rich or poor and everyone is free from worries about clothing, food, housing, medical treatment and education of their children, he stressed.

Official Speaks at Rally

SK3105051491 Pyongyang KCNA in English 0426 GMT 31 May 91

[Text] Pyongyang May 31 (KCNA)—A South Korean young man Yun Ki-kwon who had defected to the northern half of Korea some time ago was warmly welcomed at a Pyongyang rally Thursday.

Yun was awarded an order of the Republic and a large sum of prize money together with souvenirs.

In his welcome address, Sin An-pang, vice-chairman of the Pyongyang Municipal Administration and Economic Guidance Committee, praised the defection of Yun Ki-kwon as a righteous and patriotic act for the country and the nation and the reunification of the country.

Speaking in reply Yun Ki-kwon said the North is a land far more superior than he had imagined.

All the people in the North, he noted, live a peaceful and harmonious life without worries and the DPRK takes good care of the working masses, putting them up as masters and treasures of the country.

What impressed me most deeply is that all the people in the North revere and follow the great leader President Kim Il-song and the dear leader Mr. Kim Chong-il as their fathers, he stressed.

He said that, though the imperialists are now trumpeting about the destruction of socialism, intensifying the anti-socialist offensive, the North alone is defending socialism without wavering and is growing stronger.

He expressed his determination to devote his all to the noble cause of reunification.

Delegate to Japan Normalization Talks Interviewed

OW3105133691 Tokyo KYODO in English 1248 GMT 31 May 91

[Report by Noboru Kimura]

[Text] Pyongyang, May 31 KYODO—Whether the stalled Japanese-North Korean normalization talks resume is up to Japan, Chon In-chol, the chief North Korean delegate to the talks, said Friday.

"North Korea will not take any step (to reopen the talks) even if they are deadlocked for a year," Chon said.

Chon, North Korean vice foreign minister, made the remarks in an interview with Shinji Sakai, president of KYODO NEWS SERVICE in Pyongyang.

Chon and his Japanese counterpart, Noboru Nakahira, have met three times since January to discuss normalization between two countries but the most recent talks ended last week with no agreement on when the two sides will meet again.

The two countries began moving toward rapprochement after parliamentarians from Japan's ruling Liberal Democratic Party (LDP), and Social Democratic Party (SDP) visited Pyongyang last September.

The two parties issued a joint declaration with the ruling Korean Workers' Party calling on the two governments to establish diplomatic ties as soon as possible.

At last week's talks, the North Korean side refused to discuss the date for further talks until Japan retracts its request for an investigation into the suspected kidnapping of a Japanese woman said to have tutored a former North Korean agent convicted of blowing up a South Korean airliner.

On Friday, Chon repeated North Korea's accusation that Japan "brought up the issue of an unidentified Japanese woman to stalemate the negotiations."

During the recent talks, Japan officially requested information about the woman, identified as a nightclub hostess from Saitama Prefecture, who allegedly instructed Kim Hyon-hui in Japanese language and customs so she could pose as a Japanese tourist.

A week before the talks, Kim, who was convicted in the 1987 bombing of a Korean Air Boeing 707 over the Andaman Sea, which killed all 115 people on board, identified the woman as her instructor from photographs shown her by Japanese investigators.

Pyongyang has denied any involvement in the bombing, calling it a South Korean fabrication.

Chon said, "Japan treated us like criminals and took actions to obstruct the talks."

"It is difficult to say anything at this moment about the prospects for the talks because of the opaque stance of the Japanese side," he said. "The talks would have gone smoothly if Japan had not brought up the issue of the woman."

On Tokyo's demand that Pyongyang open its nuclear facilities to international inspection, Chon said the issue should not be discussed at the normalization talks between Japan and North Korea.

The issue should be dealt with between North Korea and the United States, and Pyongyang has asked Japan to mediate between the two nations, Chon added.

Chon reiterated the North Korean stance that the U.S. must remove nuclear weapons from South Korea and give assurances it will not launch a nuclear attack on his country before Pyongyang can open its nuclear facilities to inspection.

North Korea signed the Nuclear Nonproliferation Treaty in 1985, but has refused to conclude a safeguards accord with the International Atomic Energy Agency (IAEA) to open its nuclear facilities in Yongbyon, some 90 kilometers north of Pyongyang, to outside inspection.

During the latest talks, Japan has urged North Korea to accept international inspection of its nuclear facilities to erase the suspicion it is developing nuclear weapons.

On Wednesday, a spokesman for the IAEA said that North Korea had informed the agency that it is ready to resume talks on a safeguards treaty, in a move expected to pave the way for international inspection.

Chon, however, stuck to the demand that the direct threat from U.S. nuclear weapons in South Korea be removed first.

A former top U.S. military official has proposed that Washington offer to remove its nuclear weapons from South Korea in exchange for North Korean acceptance of international inspection.

Asked about this proposal, which has not been backed by the Bush administration, Chon said: "We are interested. I think we should discuss with the U.S. the order of North Korean acceptance of IAEA inspection and removal of U.S. nuclear weapons from South Korea."

James Crowe, former chairman of the U.S. Joint Chiefs of Staff, made the proposal in the spring issue of the U.S. magazine "Foreign Affairs."

The U.S., which has around 40,000 troops in South Korea, refuses to confirm or deny whether it has nuclear weapons in any given location.

KYODO News Agency Delegation Arrives 28 May

SK2905015191 Pyongyang KCNA in English 2228 GMT 28 May 91

[Text] Pyongyang May 28 (KCNA)—A delegation of the KYODO News Agency headed by its General Director Shinji Sakai arrived in Pyongyang today.

It was met at the airport by Vice-Chairman of the Korean Society for Cultural Relations With Foreign Countries Pak Tong-chun and Deputy General Director of the KCNA Pak Hyon-kyu.

Kim Yong-sun Meets Visiting Thai Delegation

SK3105051791 Pyongyang KCNA in English 0423 GMT 31 May 91

[Text] Pyongyang May 31 (KCNA)—Kim Yong-sun, secretary of the Central Committee of the Workers' Party of Korea, on May 30 met and had a friendly conversation with the visiting delegation of the Local Journalists Association of Thailand headed by its Chairman Pricha Phopsuk, general secretary of the Thailand-Korea People's Friendship Organization.

Chon Yon-ok, vice-chairperson of the Committee for Cultural Relations With Foreign Countries and chairperson of the Korea-Thailand Friendship Association, was on hand.

The head of the delegation said that Thailand and Korea, both Asian countries, have a long history, stressing that the Asian question should be decided by the Asian people themselves under any circumstances. Noting that the reunification proposal advanced by the DPRK is a flexible one, he hoped that Korea would be reunified without fail.

Kim Tal-hyon Delegation Leaves on Asian Trip

SK2905004591 Pyongyang KCNA in English 2227 GMT 28 May 91

[Text] Pyongyang May 28 (KCNA)—A DPRK Government trade delegation led by Kim Tal-hyon, vice-premier and chairman of the External Economic Commission left here today by air to visit Asian countries.

Kim Il-song Meets Afghan Delegation 31 May

SK3105111091 Pyongyang KCNA in English 1028 GMT 31 May 91

[Text] Pyongyang May 31 (KCNA)—The great leader President Kim Il-song today received the visiting Afghan Government trade delegation led by Minister of Commerce Zakim Shah.

Present there were Vice-Premier and Foreign Minister Kim Yong-nam, Vice-Minister of Foreign Trade Han Su-kil and charge d'affaires ad interim of the Afghan Embassy here Mohammad Kamel Delzada.

The head of the delegation conveyed a personal letter of Najibullah, president of the Republic of Afghanistan, to President Kim Il-song.

President Kim Il-song conversed with the guests in a cordial and friendly atmosphere.

He was presented with a gift by the guests.

Kim Chong-il Receives Gift

SK3105112291 Pyongyang KCNA in English 1037 GMT 31 May 91

[Text] Pyongyang May 31 (KCNA)—The dear leader Comrade Kim Chong-il received a gift from the Ministry of Commerce of Afghanistan.

The gift was handed to Vice-Premier Kim Tal-hyon by Minister of Commerce of Afghanistan Zakim Shah on a visit to Korea.

Scientific Cooperation Accord Signed With USSR

SK3105052091 Pyongyang KCNA in English 0421 GMT 31 May 91

[Text] Moscow May 29 (KCNA)—A plan of cultural and scientific cooperation for 1991-1993 between the governments of the DPRK and the USSR was signed here today.

It was signed by Son Song-pil, DPRK ambassador to the USSR, upon authorisation by the DPRK Government, and by Igor Rogachev, vice-minister of foreign affairs of the USSR, upon authorisation by the Soviet Government.

O Chin-u Greets New Egyptian Defense Minister

SK3105110991 Pyongyang KCNA in English 1040 GMT 31 May 91

[Text] Pyongyang May 31 (KCNA)—Vice marshal of the Korean People's Army O Chin-u, minister of People's Armed Forces, sent a message of greetings to Muhammad Husayn Tantawi Sulayman upon his appointment as minister of defence and military production and commander-in-chief of the Armed Forces of the Arab Republic of Egypt.

In the message O Chin-u expresses the belief that the excellent friendly and cooperative relations existing between the armies of the DPRK and Egypt will continue to favorably develop and sincerely wishes him great success at his new post for increasing the nation's defence capacities.

Maltese Government Delegation Visits Pyongyang

Kim Yong-nam Greets Delegation

SK2905004891 Pyongyang KCNA in English 2225 GMT 28 May 91

[Text] Pyongyang May 28 (KCNA)—A Maltese Government delegation headed by Guido de Marco, deputy prime minister and minister of foreign affairs and justice of the Republic of Malta and incumbent president of the United Nations General Assembly, today arrived in Pyongyang for a visit to the DPRK at the invitation of the government of the DPRK.

The delegation was met at the airport by Vice-Premier and Foreign Minister Kim Yong-nam and officials concerned.

Nirmala Ranee Williams [name as received] acting resident representative of the UNDP [United Nations Development Program] in Pyongyang, was also present at the airport.

Delegation Calls on Kim Yong-nam

SK2905005291 Pyongyang KCNA in English 2229 GMT 28 May 91

[Text] Pyongyang May 28 (KCNA)—Vice-Premier and Foreign Minister Kim Yong-nam today met and had a friendly talk with the Maltese Government delegation led by Guido de Marco, deputy prime minister and minister of foreign affairs and justice of Malta and incumbent president of the United Nations General Assembly, who paid a courtesy call on him at the Mansudae Assembly Hall.

Kim Yong-nam Speaks at Banquet

SK2905005691 Pyongyang KCNA in English 2230 GMT 28 May 91

[Text] Pyongyang May 28 (KCNA)—The DPRK Government arranged a banquet at the Mansudae Assembly Hall this evening for the visiting Maltese Government delegation.

The banquet was addressed by Kim Yong-nam, vice-premier and foreign minister of the DPRK, and head of the delegation Guido de Marco, deputy prime minister and minister of foreign affairs and justice of Malta and incumbent president of the United Nations General Assembly.

Kim Yong-nam said:

The Korean and Maltese peoples established long ago bonds of friendship and cooperation and on their common idea of independence, sovereignty, progress and peace and have since consolidated and developed them.

The Korean people, singleheartedly rallied behind the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il, are now working energetically to bring the advantages of our unique socialism into full play and promote the reunification of the country.

We maintain that Korea should be reunified by means of a confederacy based on one nation, one state, two systems and two governments.

Our proposal for reunification through a confederacy enjoys widespread support and sympathy from the peaceloving people of the world as it most correctly reflects the actual conditions of Korea with different ideologies and systems existing in the North and the South.

But the separatist at home and abroad are more desperately manoeuvring to legitimate the division of Korea internationally, going against the nation's desire for reunification and the trend of the times.

The South Korean authorities opposed our proposal for the entry of the North and the South into the United Nations as one member and decided to unilaterally join the U.N. in a bid to divide one Korea into two through the world organisation.

If their attempt at unilateral U.N. membership is left alone important issues related to the interests of the entire Korean nation would be dealt with in a biased manner on the U.N. rostrum and this would entail grave consequences.

Under this situation our DPRK Government decided yesterday to enter the United Nations as a step to tide over the grave difficulties created by the South Korean authorities.

We consider that the present situation making the North and the South of Korea separately join the U.N. must never be freezed [word as received].

We expect that your excellency will pay deep attention to this step of ours as president of the U.N. General Assembly.

Delegation Head Speaks at Banquet

SK2905071091 Pyongyang KCNA in English
0452 GMT 29 May 91

[Text] Pyongyang May 29 (KCNA)—The DPRK Government arranged a banquet Tuesday evening for the Maltese Government delegation.

Speaking at the banquet, head of the delegation Guido de Marco, deputy prime minister and minister of foreign affairs and justice of Malta and incumbent president of the United Nations General Assembly, said that he knew well that the DPRK Government has made every sincere effort for the unity of the Korean peninsula and the Korean people. It is unjust for any one party to have the representative right in the United Nations, he said, and continued:

The DPRK Government's decision to join the U.N. fully reflects the wisdom of its leadership.

The United Nations is an organisation which all the [word indistinct] countries can join. All of us are well aware that the DPRK is a peaceloving country.

We believe that all the peaceloving countries will respect and implement the U.N. Charter, said the head of the Maltese Government delegation.

Delegation Head To Support UN Entry

SK2905073791 Pyongyang KCNA in English
0451 GMT 29 May 91

[Text] Pyongyang May 29 (KCNA)—Talks between government delegations of the Democratic People's Republc of Korea and the Republic of Malta took place at the Mansudae Assembly Hall on May 28.

Present at the talks on our side were Vice-Premier and Foreign Minister Kim Yong-nam and officials concerned and on the opposite side were the members of the delegation led by Guido de Marco, deputy prime minister and minister of foreign affairs and justice of Malta and incumbent president of the United Nations General Assembly. Referring to the bilateral relations between the two countries, the advantage of socialism of our style and purpose of the entry of the DPRK into the United Nations, Foreign Minister Kim Yong-nam said at the talks that the government of our Republic has consistently maintained its stand to enter the U.N. as a unified Korea after the establishment of a confederation and advanced a reasonable proposal for the North and South to jointly enter the U.N. with one seat, not with two seats, in case the North and South should enter it before reunification, and has made its sincere efforts for its realization.

The government of the Democratic People's Republic of Korea, he noted, has no alternative but to enter the U.N. at the present stage as a step to tide over the temporary difficulties as the South Korean authorities are seeking to unilaterally join it at any cost against the desire of the entire Korean nation for reunification.

Head of the delegation Guido de Marco said that the socialism established in the Democratic People's Republic of Korea is not one imported from any country.

Noting that the three principles of independence, peaceful reunification and great national unity advanced by the DPRK Government reflect the demand of the entire Korean people, he stressed that the master of the question of Korea's reunification is none other than the Korean people and Korea is one.

Saying he was glad at the statement issued by the DPRK Foreign Ministry clarifying the stand of the DPRK Government to enter the United Nations, he stressed that such step is a very realistic and important initiative and it will be conducive not only to Korea's reunification but also to peace and security of the world.

He said he deemed it a great honor to visit Korea right after the DPRK announced its decision to enter the U.N.

He hoped that the North and South of Korea would share one seat in the U.N. in the future, declaring: If the Democratic People's Republic of Korea applies for U.N. membership during the 45th U.N. General Assembly session wich he would chair, he would actively help it.

Kim Il-song, De Marco Hold Talks

SK2905104691 Pyongyang KCNA in English 1001 GMT 29 May 91

[Text] Pyongyang May 29 (KCNA)—The great leader President Kim Il-song received today the visiting Maltese Government delegation led by Guido de Marco, deputy prime minister and minister of foreign affairs and justice and incumbent president of the United Nations General Assembly.

Vice-Premier and Foreign Minister Kim Yong-nam was present on the occasion.

President Kim Il-song conversed with the guests in a cordial and friendly atmosphere.

The head of the delegation presented him with a gift.

Delegation Gives Gift to Kim Chong-il

SK2905105991 Pyongyang KCNA in English 1007 GMT 29 May 91

[Text] Pyongyang May 29 (KCNA)—The dear leader Comrade Kim Chong-il received a gift from the head of the Maltese Government delegation on a visit to Korea.

The gift was handed to Vice-Premier and Foreign Minister Kim Yong-nam by Guido de Marco, deputy prime minister and minister of foreign affairs and justice of the Republic of Malta and incumbent president of the United Nations General Assembly.

Delegation Departs Pyongyang 29 May

SK2905110691 Pyongyang KCNA in English 1014 GMT 29 May 91

[Text] Pyongyang May 29 (KCNA)—The Maltese Government delegation headed by Guido de Marco, deputy prime minister and minister of foreign affairs and justice of the Republic of Malta and incumbent president of the United Nations General Assembly, today left Pyongyang by plane after a visit to the DPRK at the invitation of the Government of the DPRK.

The delegation was seen off at the airport by Vice-Premier and Foreign Minister Kim Yong-nam and officials concerned and Nirmala Ranee Williams [name as received], acting resident representative of the UNDP [United Nations Development Program] in Pyongyang.

Nigerian Military Delegation Concludes Visit

SK2905060191 Pyongyang KCNA in English 0444 GMT 29 May 91

[Text] Pyongyang May 29 (KCNA)—The Nigerian Government military delegation headed by General Sanni Abacha, member of the Armed Forces Ruling Council, minister of defence and chief of defence staff, left here for home on May 28 after paying an official goodwill visit to our country at the invitation of the Ministry of People's Armed Forces of the DPRK.

It was seen off by Minister of People's Armed Forces O Chin-u and officials concerned.

A farewell function took place at the airport for the delegation.

During its nine-day stay in Korea, the delegation visited Mangyongdae and a unit of the Korean People's Army and went round the West Sea barrage, the Tower of the Chuche Idea, the Pyongyang metro, the Mangyongdae School Children's Palace and other places.

Yi Chong-ok Receives New Nigerian Ambassador

SK3005154191 Pyongyang KCNA in English 1511 GMT 30 May 91

[Text] Pyongyang May 30 (KCNA)—Vice-President Yi Chong-ok today met and had a conversation with Olugbenga Ayodeji Ashiru, new Nigerian ambassador e.p. to Korea, who paid a courtesy call on him at the Mansudae Assembly Hall.

Present there was Pak Ui-chun, vice-minister of foreign affairs.

Tanzanian Head Visits North-Aided Building Site

SK2905113191 Pyongyang KCNA in English 0955 GMT 29 May 91

[Text] Pyongyang May 29 (KCNA)—Ali Hassan Mwinyi, chairman of the Revolutionary Party and president of Tanzania, on May 20 called at the construction site of the party congress hall in Dodoma which is under construction with the technical cooperation of the Democratic People's Republic of Korea.

He was met by the general secretary of the Revolutionary Party, the prime minister who is concurrently first vice-president and other officials of Tanzania, the Korean ambassador to Tanzania and the head of the DPRK technical cooperation delegation.

Going round the construction site, the president expressed satisfaction over the construction of the grandious and wonderful party congress hall.

Inaugural of Zimbabwe-Korea Solidarity Group Held

SK2905050491 Pyongyang KCNA in English 0418 GMT 29 May 91

[Text] Pyongyang May 29 (KCNA)—The inaugural meeting of the Zimbabwe-Korea Association for Solidarity and Friendship was held on May 15 at the conference room of the Central Committee of the Zimbabwe African National Union-Patriotic Front (ZANU-PF).

Present at the meeting were Moven Mahachi, member of parliament, member of the Political Bureau and secretary for politics and culture of the ZANU-PF and home minister; Steven Nkomo, member of parliament, member of the Political Bureau and secretary for foreign relations of the ZANU-PF and deputy minister of foreign affairs; and other lawmakers and officials concerned.

The DPRK ambassador to Zimbabwe was present on invitation.

Speeches were made at the meeting.

In his speech, Moven Mahachi noted that the respected leader Comrade Kim Il-song embarked upon the road of revolution at his young age, founded the man-centred chuche idea, rallied people under the banner of this great idea, victoriously led the 20 odd years of anti-Japanese revolutionary struggle and smashed the armed invasion of imperialist forces on the northern half of Korea in the 1950s and won a brilliant victory.

Zimbabwe holds that the question of Korean reunification should be settled peacefully in accordance with the proposal advanced by the great leader Comrade President Kim Il-song, he said, stressing that the party, government and people of Zimbabwe would actively support as ever the Korean people in the efforts for national reunification.

The list of the members of the steering body of the association was made public.

A letter to President Kim Il-song and a letter to President Robert G. Mugabe were adopted at the meeting.

KCNA Review of 31 May Pyongyang Press

SK3105060391 Pyongyang KCNA in English 0456 GMT 31 May 91

[Press review]

[Text] Pyongyang May 31 (KCNA)—Papers here today report that "Let Us Bring the Advantages of Socialism in Our Country Into Full Play" and other immortal classical works of the great leader President Kim Il-song were studied and disseminated abroad.

On the occasion of the 5th anniversary of the publication of the classical work "Historical Experience of Building the Workers' Party of Korea" by President Kim Il-song on May 31, 1986, NODONG SINMUN comes out with full-page special write-ups consisting of articles stressing that the work is an immortal encyclopedia which consummated the historical experience of party building.

Carried in the daily are words of South Korean people and world public circles deeply revering President Kim Il-song.

Given in papers is an account of a meeting of agricultural working people held in front of the Pyongnam Irrigation Monument in Anju City, South Pyongan Province, on the lapse of 35 years since President Kim Il-song went round the Pyongnam irrigation works upon its completion and named the reservoir Lake Yonpung.

"Our Socialism for the People Will Not Perish", a work of the dear leader Comrade Kim Chong-il, was reported in different countries and has evoked great repercussions upon Korean working people, says the press.

MINJU CHOSON notes that Comrade Kim Chong-il is showing deep care and solicitude for the working class, sparing nothing for it, saying ours is a land for the working class.

NODONG SINMUN carries a message and greetings sent by the C.C. [Central Committee], the Workers' Party of Korea to the 9th congress of the Brazilian Communist Party.

Papers give an account of a Pyongyang rally held to welcome South Korean young man Yun Ki-kon who had defected to the northern half of Korea.

The U.S. imperialists and the South Korean puppets continued to commit provocative military exercises along the Military Demarcation Line, says the press.

Edited in papers are words at home and abroad denouncing the No Tae-u fascist junta's brutal murder of coed Kim Kwi-chong of Sungkyunkwan University in Seoul and reports about the struggle of South Korean students and people.

NODONG SINMUN runs a commentary condemning the South Korean authorities' unilateral announcement that a balloting in the nine provinces and six largest cities" would be held on June 20 to bridge over the worst ruling crisis. [quotation marks as received]

In a commentary entitled "Poor Brainchild" the paper hits out at the United States for spreading the unfounded story about the North's "development of nuclear weapons" by setting in motion its subsidized media and media of South Korea and other countries.

The paper informs the readers that the French committee for supporting the founding of the democratic confederal republic of Koryo issued its magazine "News of Koryo".

Foreign news columns of the press include reports that Comrade Jiang Zemin called for non-interference in internal affairs of other countries, Comrade Fidel Castro stated that the Cuban people would not yield to any force, the Afghan president outlined tasks facing youth organisations and the Malaysian prime minister rejected Western-style "democracy."

NODONG SINMUN in a monthly review of the international situation points to the U.S. imperialists' intensified interference in internal affairs of other countries and moves of aggression.

The paper deals with an article saying that the "international solidarity march for supporting Korea's reunification" and signature campaigns are going on worldwide.

MINJU CHOSON carries an article saying that unity and cooperation among the world people is a guarantee of the victory in the struggle for building a new world.

South Korea

No Tae-u Welcomes North Decision To Enter UN

SK3105104091 Seoul YONHAP in English 1021 GMT 31 May 91

[Excerpt] Seoul, May 31 (OANA-YONHAP)—President No Tae-u, meeting Friday with visiting Maltese Foreign Minister Guido de Marco, said he welcomes North Korea's decision to apply for U.N. membership and believes it will hasten peace and national unification.

South Korea had always hoped for simultaneous entry of Seoul and Pyongyang into the global body, and Seoul had planned on submitting the application alone because North Korea kept insisting on sharing a single seat at the U.N., No was quoted as telling de Marco. [passage omitted]

Yi Sang-ok Comments on North's UN Decision

SK3005120091 Seoul KBS-1 Television Network in Korean 1200 GMT 30 May 91

[Interview with Foreign Minister Yi Sang-ok by anchorman Pak Song-pom on 30 May; place not given—recorded]

[Text] [Pak Song-pom] In an interview given to KBS-1 Television today, Foreign Minister Yi Sang-ok said that North Korea's decision to apply for UN membership was a fruition of our country's tenacious policy and effort to preserve peace on the Korean peninsula and of the northern policy promoted by President No Tae-u.

Foreign Minister Yi Sang-ok is now hooked up to this studio.

Hello, Foreign Minister Yi Sang-ok. Not only has North Korea's decision to apply for UN membership delighted the entire country, but it is also an occasion worth celebrating.

It is our understanding that our application form should be filed with the United Nations by 9 August at the latest if we are to conform to procedures. When do you think the government will file the application form?

[Yi Sang-ok] Okay. Before answering that question, I would like to mention our great joy over the fact that we have secured an opportunity to realize our admission into the United Nations for the first time in 43 years since the ROK Government was established in 1948 following elections held according to a UN General Assembly resolution.

Over the past few years, our government has wholeheartedly promoted the Northern Policy after President No announced the historic policy on South-North relations in his 7 July declaration. I think it is thanks to the successes attained in the course of enforcing the northern diplomacy that we now have the conditions necessary to enter the United Nations.

Proceeding rules stipulate that the application form be filed no later than 9 August, just as you mentioned. However, we plan to file it at the earliest possible date, as soon as we are through the domestic procedures—that it to say, a review at cabinet meetings and the National Assembly's approval, as well as consultation with our allies.

[Pak] A survey of past practices shows that the United Nations has traditionally decided whether or not to accept applications on the first day of the UN General Assembly session. The fall session of the UN General Assembly is scheduled for 19 September this year. So, we believe that barring any special event, the admission of the North and South will be decided on 17 September. If and when this happens, our biggest diplomatic goal since the government's founding is going to be realized.

There were reports that the president and his foreign minister are preparing speeches to deliver at the United Nations. Is this true?

[Yi] True. If admitted into the United Nations on the first day of the UN General Assembly session, the head of the country that has just been admitted is supposed to make a speech accepting the admission according to the norms of the United Nations. Following this, many heads of state are supposed to make keynote speeches during the UN General Assembly session. I think it will start on 23 September this year.

So, we are now positively studying the possibility of our president going there and delivering a speech as chief executive of a full UN member state.

[Pak] The news that North Korea has decided to apply for UN membership has already led some people to guess that South-North summit talks could be held sooner than expected. The general public also expects that if and when this happens, the South and North may accelerate improving their relations. What do you say?

[Yi] Following North Korea's decision to apply for UN membership, many people expect that this will create a new turning point for South-North relations as a whole.

We in government hope that North Korea, following its demonstration of a more realistic stand on the issue of UN membership, will bring more realistic changes to its policy concerning the South-North talks.

If North Korea takes a more forward-looking stand, I think we can hope for great development in South-North talks. Any progress in South-North talks, I believe, can pave the way for South-North summit talks. However, I also believe at this stage it is a little too early to expect that summit talks can take place in the near future.

[Pak] Thank you, Minister Yi Sang-ok.

Discusses UN, Nuclear Issues

SK3005134191 Seoul YONHAP in English 1240 GMT 30 May 91

[Text] Seoul, May 30 (YONHAP)—South Korean Foreign Minister Yi Sang-ok said Thursday it was premature to predict a change in North Korea's policy toward South Korea although he saw the North's decision to apply for U.N. membership may help improve inter-Korean relations and establish peace on the Korean peninsula and in Northeast Asia.

Speaking at a National Assembly committee, he said that the government would work for real development of inter-Korean relations after finding out the true intention of Pyongyang behind its sudden about-face and closely monitoring its attitudes.

The North announced Monday it would enter the United Nations along with the South, retracting its long-held bid to join the world body for a single seat shared by both Koreas.

"The ministry would consider establishing an inter-Korean consultative system inside the U.N. forum to bolster mutual cooperation once the simultaneous admission is realized this fall. We have already proposed a meeting of the U.N.-based ambassadors of both Koreas for talks on procedural matters for the membership application," he said.

Touching on the North's call for an inspection of U.S. nuclear facilities on the Korean peninsula, he said the South Korean Government was ready to consider the request but only on condition that Pyongyang, as a signatory of the Nuclear Non-Proliferation Treaty, sign the nuclear safeguards accord of the International Energy and Atomic Agency.

Simultaneous entry of South and North Korea into the United Nations has nothing to do with such other pending issues as the replacement of the armistice agreement with a peace treaty, negotiations on inter-Korean arms reduction and the proposed non-agression pact, he said.

"If North Korea and Japan made progress on talks to normalize their diplomatic relations, it may help reduce tensions on the Korean peninsula," Yi said.

Each of the two Koreas, if admitted to the United Nations, would have the legitimate status of a sovereign nation in the international community but this principle would apply only to their respective relations with the world body, Yi said. The U.N. membership would not affect the existing inter-Korean relations, he added.

South Seeks Irish Support for UN Membership

SK2505013791 Seoul YONHAP in English 0059 GMT 25 May 91

[Text] Dublin, Ireland, May 24 (YONHAP)—South Korean National Assembly Speaker Pak Chun-kyu met with Irish Prime Minister Charles Haughey at his official residence Friday evening and gave him a personal letter from President No Tae-u that asked for the Irish Government's continued support and cooperation for South Korean membership of the United Nations.

"The Republic of Korea wants to enter the United Nations as soon as possible, so that it can assume full responsibility and role commensurate with its national status and capability in international society, and we ardently hope North Korea will also join the U.N. together with us," No's letter said.

"We would take necessary steps for our U.N. membership prior to the opening of the 46th U.N. General Assembly this autumn if North Korea continues to oppose the simultaneous entry of South and North Korea into the U.N."

In the letter, No also voiced hope the Irish premier will visit Seoul at convenient time in the future.

Haughey said the Irish Government actively supported South Korea's peaceful unification policy and admission to the United Nations and would spare no effort to cooperate with South Korea, adding that he would visit Seoul at an opportune time, a senior official accompanying Pak told reporters after the talks.

Pak is scheduled to return next week via the United States, winding up a 14-day official visit to the Soviet Union, Poland and Ireland.

IAEA Says North 'Officially Proposed' Talks

SK3005131691 Seoul KBS-1 Television Network in Korean 1200 GMT 30 May 91

[Text] In addition to its decision to apply for a UN seat, North Korea shows signs of changes in its nuclear policy.

The International Atomic Energy Agency [IAEA] announced today that North Korea has officially proposed negotiations with the IAEA over nuclear nonproliferation and a nuclear safeguards agreement which it has so persistently evaded. This message is reported to have been conveyed by the North Korean ambassador to Austria.

Reporter Chae Il has the details:

[Begin Chae recording] According to an official announcement made today by the IAEA, North Korea has made known to the international organization its intention to reopen negotiations with the IAEA over the nuclear safeguards agreement which has practically been suspended until now.

According to an IAEA spokesman, Chon In-chon, North Korean ambassador to Austria, sent a letter to Hans Blick, secretary general of the IAEA, to express North Korea's willingness to resume negotiations over the nuclear safeguards agreement.

However, the North Korean side has not set the date to resume the negotiations. Even after it signed the Nuclear Nonproliferation Treaty in 1985, North Korea has refused to sign the nuclear safeguards agreement which enables the IAEA to conduct nuclear inspection.

In response, the Japanese Foreign Ministry said it is seeking to verify this report by the IAEA and noted: If North Korea's decision turns out to be true, it is welcome.

Commenting on nuclear inspection, the last stumbling block in conditions for Japan-North Korean negotiations over the establishment of diplomatic relations, an official at the Japanese Foreign Ministry said: It is hard to see North Korea's proposal as an expression of immediate acceptance of nuclear inspection.

Saying that North Korea may be trying to buy time before the IAEA conference scheduled for 10 June, this official stressed: North Korea's proposal may be nothing but an excuse to evade nuclear inspection by making itself appear to be negotiating with the IAEA.

North Korea's proposal as such for negotiations with the IAEA followed its Foreign Ministry statement on its intention to apply for a UN seat. [end recording]

Japan's Kanemaru Urges North Nuclear Inspection

SK3005124891 Seoul YONHAP in English 1221 GMT 30 May 91

[Text] Tokyo, May 30 (YONHAP)—Former Japanese Vice Prime Minister Shin Kanemaru said Thursday that talks on Japan-North Korea dipomatic relations would make no progress if North Korea continued to reject a call for opening its nuclear facilities to international inspection.

Kanemaru told visiting South Korean reporters that he conveyed such position of Japan to Kim Yong-sun, International Department director of the North Korean Workers' Party, when he visited Pyongyang in April.

"If North Korea showed no change in its position on the nuclear issue, I am willing to revisit Pyongyang and meet with North Korean President Kim Il-song, urging him to accept an international call for nuclear inspection," he said.

The United States and Japan have called on the North to sign a full-scope nuclear safeguards accord with the International Atomic Energy Agency under which all signatories should open their nuclear facilites to international inspection.

He said his nation would not go ahead with talks on Tokyo-Pyongyang relations if the talks generated concerns that they might hamper Seoul-Tokyo and Tokyo-Washington relations.

'Peace City' Inside Demilitarized Zone Proposed

SK3105072591 Seoul YONHAP in English 0455 GMT 31 May 91

[Text] Seoul, May 31 (YONHAP)—South Korea will propose creating a "peace city" in the Demilitarized Zone separating it from North Korea to help stimulate the North to open up and become more cooperative in inter-Korean relations, officials at the National Unification Board said Friday.

National Unification Minister Choe Ho-chung is expected to unveil the project June 4 at a ground breaking ceremony for a five-story unification observatory on Mt. Odu near Paju, some 30 kilometers north of Seoul and near the buffer zone.

President No Tae-u floated the concept in an address to the United Nations in 1988 on ways to seek peaceful reunification of the Korean peninsula through inter-Korean exchanges. It was also contained in his Korean national community unification formula.

Peace city will be inside the demilitarized zone, which stretches two kilometers on either side of the Demarcation Line, and have a joint office, a reunion place, a market, a joint industrial complex, theaters, gymnasiums and hotels. Citizens of both Koreas will be allowed to visit freely.

"It seems unlikely that Pyongyang is ready to open its doors wide despite its decision to apply for U.N. membership. Our proposal is feasible because it would help the North come out from behind the curtain gradually," a board official said.

The city will probably be near the truce village of Panmunjom, the only contact point on the tightly sealed buffer zone that has separated Korea since 1953, and most of the costs will be borne by the South Korean Government.

South and North Korea have never signed a peace treaty to officially end the Korean war.

North To Reclaim Fishing Boat at 'Proper Time'

SK2905085691 Seoul YONHAP in English 0606 GMT 29 May 91

[Text] Seoul, May 29 (YONHAP)—North Korea said Wednesday it would take back a fishing boat that drifted into South Korean waters last December and asked Seoul to protect it until then.

"We are looking forward to retrieving our fishing boat at a proper time. We hope that you will preserve the boat as it is now," Fishery Commission Chairman Choe Pok-yon said in a telephone message to Home Affairs Minister Yi Sang-yon.

Yi asked Pyongyang to collect the boat by mid-June because it was in danger of sinking when the weather worsened.

The Muan 9818 was blown out to sea from a North Korean port during a storm on Dec. 27 and found drifting near Tokchok Island in the West Sea.

North Korea said in a telephone message Jan. 15 it would pick up the boat if sea conditions improved.

Increase in Indirect North-South Trade Reported

SK2505053791 Seoul YONHAP in English 0406 GMT 25 May 91

[Text] Seoul, May 25 (YONHAP)—Indirect trade between South and North Korea since 1988, when Seoul permitted importation of North Korean products, totalled 106.383 million U.S. dollars at the end of April, the National Unification Board said Saturday.

The South granted permission for 225 deals, a board official said. Of them, 215 were imports from the North tallied at 89.642 million dollars, and 10 exports worth 16.741 million dollars.

Indirect inter-Korean trade was 1,037,000 dollars in four deals in 1988, 22.304 million dollars in 58 in 1989 and 25.61 million dollars in 1990, the official said.

Two-way trade was 57.432 million dollars for the first four months of 1991, more than 19-fold that for the same period last year, he said.

During the four months, Seoul bought 45.491 millon dollars of products from Pyongyang, compared to 44.151 million dollars between 1988 and 1990, and sold 11.941 million dollars of goods to Pyongyang, double the 4.8 million dollars of 1988-1990.

He said 6.997 million dollars of North Korean products were swapped for 10.54 million dollars of South Korean products in five deals this year.

Seoul imported 10.743 million dollars of zinc, 9.907 million dollars of fisheries products, 7.657 million dollars of steel, 4.059 million dollars of coal and 3.35 million dollars of gold.

This year, it will import 10,000 tons of pollack and 1,600 tons of cuttlefish.

Seoul exported 6.25 million dollars of high-density polyethylene, 1.401 million dollars of light oil, 1.18 million dollars of textiles and 760,000 dollars of soap.

Inter-Korean trade will soar if direct trade is established, he said.

Minerals Imports Increasing

SK3105072391 Seoul YONHAP in English 0442 GMT 31 May 91

[Text] Seoul, May 31 (YONHAP)—South Korean firms have actively sought to import North Korean gold, zinc and other minerals since January, and some have succeeded.

Samsung Co. bought 186 kilograms of North Korean gold for 1.8 billion won (2.5 million U.S. dollars) through Hong Kong intermediaries, business sources said Friday. The trading arm of the Samsung Group gave some of the gold to other subsidiaries and sold the rest on the domestic market.

Lucky-Goldstar International Co. bought 24.8 kilograms of gold in Hong Kong for Lucky Metals Corp.

Sunkyong Ltd. and Hyundai Corp. are seeking to introduce the gold through agents, but Samsung and Lucky-Goldstar want to import it directly, the sources said.

Sunkyong has imported 2,200 tons of North Korean zinc through Chinese intermediaries, Samsung 1,150 tons and Lucky-Goldstar 1,400 tons.

Hyosung Corp. and Hyundai have brought in 3,100 tons and 1,500 tons, respectively, of the estimated 12,000-13,000 tons of zinc imported this year.

Sunkyong, Samsung and Lucky-Goldstar are expected to buy 1,000 tons of North Korean zinc a month this year, and Hyosung and Hyundai are positively seeking to import North Korean zinc. This would boost the total to 20,000-30,000 tons this year, accounting for about 10 percent of domestic demand, the sources said.

Sunkyong introduced 200 tons of North Korean-made electrolytic copper, and is to purchase another 3,000 tons by the end of the year. Samsung and Hyundai are about to import electrolytic copper from North Korea, the sources said.

Sunkyong is engaged in negotiations to import North Korean lead, which has not so far been done, the sources said.

Inter-Korean trade would increase dramatically if North Korea bartered gold for daily necessities and home appliances, since gold and zinc are tantamount to cash, they said.

New Justice Minister Discusses Political Issues

SK3105050191 Seoul SEOUL SINMUN in Korean 27 May 91 p 14

[Interview with new Justice Miniter Kim Ki-chun by reporter Choe Hong-un; date and place not given]

[Text] "A difficult position has been given to me at a difficult time, though I am not good enough, so I feel heavy responsibility. I will do my best."

It was right after his appoinment on the aftrnoon of 26 May that new Justice Minister Kim Ki-chun met with me. But he did not look very chipper. He was apparently mindful of the present difficult situation in which even the prime minister had to be replaced in the wake of the death of Myonji university student Kang Kyong-tae.

"Now is a difficult time. There is no question about it. It is also a critical time for the development of the nation.

Law and order should be safeguarded to overcome the difficult situation and to turn it into an opportunity to further develop our nation. I firmly believe that safeguarding the law and order is indeed the shortest path to the development of democracy, economic growth, and reunification."

His view was befitting, since he had a special interest in safeguarding law and order, to the point that he earned the nickname "Mr. Law and Order" while serving as a prosecutor.

"There is no law which can please all of the people. Ours is a society where diverse interests conflict. So I think that law is precisely the flower which blooms out of compromise and concession by all the members of the society. The existing law must be allowed to remain in force, even if it seems somewhat unjustifiable to do so. Otherwise, our society will be lawless and chaos will reign. Meanwhile, we should also make ceaseless effort to establish the kind of law which we need to have—an ideal law. The people should respect the law and the government. While being as fair as possible in implementing the law, we should know the demands of the people and continue our efforts to establish an ideal law. I think that the people and the government should cooperate closely to overcome the difficult situation."

New Justice Minister Kim always has been very remarkable in stressing the need to safeguard the law. He has been called by many as "the ringleader behind the security-oriented situation" and as "a hard-liner."

With regard to this, he assuringly said: "I have hoped that I would be recognized as one who fulfills his responsibility and as a modest prosecutor. But if they call me a hard-liner, I will examine myself and I will implement the law in an even more democratic manner and try to earn people's confidence."

With regard to the recent revision of the National Security Law and the special step taken for those who served in prison on the charges of violating the National Security Law, he gave the following opinion which befits his attitude: "I unconditionally support the revision of the law because it has been carried out by the people's representatives, the National Assembly. I assume that the revision was a progressive move to help improve North-South relations, not something sympathetic toward those who challenge the system. I believe that, while putting the law into practice according to the objective sought in revising the law in the National Assembly, we should continue to invariably deal a blow to those forces which challenge the system."

In connection with the upcoming local council elections in special cities and provinces, for which the signs of payola and some other disorderly acts have already begun to grow, he said: "There is no change in my belief that democracy can develop only through elections and thus fair and clean elections are the most urgent task of our era. I believe that, toward this end, the people and the government should make the utmost effort."

Minister Kim, as the one who has been appointed to the position of justice minister after serving only six months as the first prosecutor general under the newly-enacted term system, said that he was very emotional as he was becoming a minister from the semi-judicial prosecutor general position in which he needed to be neutral to some extent.

Minister Kim went on to add: "I have thought a lot and deeply examined myself. While being away from duty for several months, I learned what I didn't know as a public servant. First of all, I realized that our society can be called a truly civilized society only when people feel comfortable and have self-esteem, even in using the mass transportation system such as buses and taxies. However, I think we still have a long way to go in this regard. In addition, I think that people who are ill should be allowed to use the general hospital emergency rooms without any difficulties. However, we are still behind in this area as well. As a cabient member and as the justice minister, I will do my best to remove such inconveniences of the people and to safeguard the legal order and to implement the law correctly."

He was still fresh as a minister. But he was a man of principle with clear ambition and plan.

Labor Law Revisions Planned Before UN Entry

SK3105061091 Seoul YONHAP in English 0234 GMT 31 May 91

[Text] Seoul, May 31 (YONHAP)—A revision of labor laws will be sought to harmonize them with regulations of the International Labor Organization (ILO) before South Korea joins the United Nations this fall and becomes a member of the International Court of Justice, government sources said Friday.

The labor union law, the law on labor dispute mediation and related laws would be reviewed by officials of the foreign and labor ministries and other government offices, they said.

"In the case of ILO, it is natural for us to revise our laws when they clash with ILO regulations. Inter-ministerial consultations will be held shortly," one of the sources said.

The government was also studying articles of the World Court, to which a U.N. member automatically becomes a party, they said.

The international court's decisions are binding only on the parties concerned and in respect to a particular dispute.

Thought is being given to accepting Paragraph 2 of Article 36, which says, "the states parties may at any time declare that they recognize as compulsory ipso facto and without special agreement, in relation to any other states accepting the same obligation, the jurisdiction of the court in all legal disputes."

Korea may accept the selective paragraph on condition that it not be called to answer for international conflicts and territorial disputes that occurred before it subscribed to the court statutes, the sources said.

The World Court is the principal judicial organ of the United Nations and is not open to individuals. It has 162 members, comprising 159 U.N. members and three nonmembers—Nauru, San Marino and Switzerland.

Kim Tae-chung Urges Revision of Security Law

SK3105105091 Seoul YONHAP in English 1025 GMT 31 May 91

[Text] Seoul, May 31 (YONHAP)—Opposition leader Kim Tae-chung demanded Friday total revision of the National Security Law, which defines North Korea as an anti-state organization, to mark the North's decision to apply for U.N. membership.

"Allout revision of the National Security Law is inevitable if the two Koreas join the United Nations at the same time. U.N. entry will make it impossible to keep the clause in the National Security Law that stipulates North Korea is an anti-state body," Kim told a major outdoor rally in Seoul.

The outdoor meet was organized to drum up public resentment over the "public security-oriented rule."

The president of the main opposition New Democratic Party [NDP] called on North Korea to accept South Korean calls for free exchanges, and on South Korea to accept a North Korean proposal for a non-aggression declaration.

"Advocates of public security rule," including Prime Minister Chong Won-sik, the ministers of home affairs, justice, labor and sports and youth, the director of the Agency for National Security Planning and presidential secretaries, should resign to put an end to this type of rule, he said.

He also demanded that President No Tae-u explicitly declare that he would not try to revise the constitution to set up cabinet government system under any circumstances.

"President No said he would not seek constitutional revision because people do not want it," Kim said, interpreting this to mean No still wanted to introduce a parliamentary system.

Members of the main factions in the ruling Democratic Liberal Party [DLP] also say No's remarks concerning constitutional revision ammounted to less than complete abandonment, Kim pointed out.

Kim said his party would cooperate with "democratic forces" to end security-oriented rule and form a democratic government, but that it would use non-violent means and abide by the principle of forming a government through elections.

He suggested the NDP was willing to accept the DLP's proposal for a joint fair election body if it was willing to open dialogue on the local elections scheduled for June 20.

NDP Member Protests Candidate Selection Process

SK3105083391 Seoul YONHAP in English 0740 GMT 31 May 91

[Text] Seoul, May 31 (YONHAP)—Rep. Yi Hae-chan resigned from the main opposition New Democratic Party [NDP] on Friday to protest corruption in the selection of candidates for local elections.

Yi, 42, is the third national assemblyman to leave Kim Tae-chung's party in protest over the nomination process. The others are Reps. Kim Kil-kon and Yi Chol-yong.

The former student activist issued a statement saying Kim's party had given up a chance to be reborn as democratic, and thus eligible to assume power, because of the undemocratic selling of nominations for money.

His departure drops the NDP to 67 of the 299 seats in the National Assembly.

Release of All 'Prisoners of Conscience' Urged

SK2905091791 Seoul YONHAP in English 0657 GMT 29 May 91

[Text] Seoul, May 29 (YONHAP)—Twenty-three people paroled on May 25 urged the government Wednesday to repeal the National Security Law and release all "prisoners of conscience."

Starting a three-day protest at Myongdong Cathedral in central Seoul, they told reporters the government released them to paper over the fact that it had railroaded an amendment to the National Security Law through the National Assembly and to calm nationwide unrest.

The government released on parole 74 prisoners convicted or charged of violating the controversial law in a follow-up to the amendment.

Also Wednesday, a dissident group claimed that as of April 15, Korea had 1,119 prisoners of conscience. The group, mostly women, said 48 percent (539 people) were jailed under the National Security Law and 17 percent (195) were convicted of hurling firebombs.

Another 160 were in prison for violating the law on assembly and demonstration, it said.

Dissident Coalition Urges Antigovernment Rallies

SK3105083691 Seoul YONHAP in English 0747 GMT 31 May 91

[Text] Seoul, May 31 (YONHAP)—A dissident coalition has called for nationwide anti-government rallies on Saturday and Sunday to protest the death of a demonstrator last week.

The coalition will hold a large demonstration on Saturday to protest the death of Kim Kwi-chong, who was trampled to death May 25 in a stampede to escape from riot police, Han Sang-yol, a co-chairman of the umbrella group of 53 dissident organizations, told a news conference Friday at Myongdong Cathedral in central Seoul.

Another rally would be held at the cathedral on Sunday to demand the dissolution of the Agency for National Security Planning and protest against the government, he said, estimating that 300,000 students, laborers and dissidents would take part in the two gatherings.

Though 20 leaders of the group were wanted by the police, it would never collapse, Han said. The coalition was formed shortly after the fatal police beating of a student April 26 and has led anti-government protests from that time to this.

An activist organization of Seoul region student councils is to stage an anti-government rally at Sungkyunkwan University on Saturday. Chondaehyop, or the National Alliance of Student Representatives, is to hold a rally in Pusan to mark its fifth anniversary on Sunday.

Share in USSR, China, North Trade Sought

SK3105070291 Seoul YONHAP in English 0247 GMT 31 May 91

[Text] Seoul, May 31 (YONHAP)—South Korean business groups are seeking ways to participate in border trade between North Korea, China and the Soviet Union and in their construction of special economic zones.

The conglomerates have set up task forces and ordered overseas branches to gather information, according to sources at the Korea Trade Promotion Corp. (Kotra) and International Private Economic Council of Korea (IPECK).

Interest is growing in access to the three-way trade centering on Heihe and Suifenhe in China and Hapsan Island in North Korea, ecncouraged by thawing relations between Seoul and its communist neighbors, the sources said.

Kotra, IPECK and academic institutions are studying joint participation with Japan, which is already involved in the trade. They gathered basic information at a seminar on the border trade in Beijing last year and by sending officials to the region.

The groups hope to swap capital and technology for permission to build factories in the border region before undertaking joint ventures with Chinese or Soviet distributers. An alternative is to use go-betweens and put the factories in the special economic zones.

The border trade revived after Soviet President Mikhail Gorbachev visited China in 1989 and the three countries are building railways to Hapsan Island, in the delta of the Tuman River where their borders adjoin, to develop it as a special economic zone.

Seoul, Moscow Sign Aviation Agreement 29 May

SK2905080391 Seoul YONHAP in English 0506 GMT 29 May 91

[Text] Seoul, May 29 (YONHAP)—South Korea and the Soviet Union signed an aviation agreement Wednesday on regular flight services between Seoul and Moscow, the Foreign Ministry said.

Under the pact, effective on signing, two designated airlines have access each other's air space and mutual tax exemption is to be accorded for planes, parts and fuel.

Korean Airlines can fly from Seoul, Pusan or Cheju, to Moscow, Khabarovsk or another Soviet destination via Beijing, Shanghai or Harbin in China, while Soviet carriers can fly from Moscow, Leningrad or Khabarovsk to Seoul, Pusan or Cheju via Beijing, Shanghai or Harbin.

Under the accord, signed by Foreign Minister Yi Sang-ok and Soviet Civil Aviation Minister Boris Panyukov, Korean airliners are also able to fly to European destinations through Soviet air space.

Korean Air and Aeroflot have had one flight a week each since March 1990. Seoul and Moscow established diplomatic ties in 1990.

PRC Officials Visit To Promote Ties, Tourism

SK2805095191 Seoul YONHAP in English 0925 GMT 28 May 91

[Text] Seoul, May 28 (YONHAP)—Chinese tourism officials are flooding into South Korea not only to promote ties but to collect information on Korea's tourist policies as an increasing number of people make trips between China and Korea.

Particularly since the opening of a ferry service between Korea's port of Inchon and Weihai on the Shandong Peninsula in mid-September last year, just before the Beijing Asian Games, the number of Korean tourists to China has risen sharply.

"While staying here, the Chinese officials show high interest in information on tourism-related government organizations and private businesses or collecting data," sources at the state-run Korea National Tourism Corp. (KNTC) said Tuesday.

Though Korea and China have yet to conclude diplomatic relations, trade and personnel exchanges are soaring on the coattails of exchanges of trade representatives early this year.

A three-member Chinese tourist delegation, led by Yang Eryu, vice president of the China Travel Service (CTS), flew to Seoul on May 16 at the invitation of Samil Travel Service Co., the KNTC sources said.

The delegation, including Wang Dayan, deputy CTS manager for Asia and Africa, and Jin Yingzi, a sales representative, had consultations with KNTC and other tourist agencies chiefly on how to attract Koreans to China, according to a Samil official.

CTS, a semi-official organization set up last January to promote tourism businesses, is directly controlled by a department of the State Council.

More recently, a four-member Chinese delegation, headed by Hu Guoyou, "a responsible person" at the China International Trade Service (CITS), arrived in Seoul on May 18 to take part in Trade Exhibition 91 of the China Chamber of International Commerce (CCOIC), which ran May 23 through May 29, they said.

CITS is under the National Tourism Administration of the State Council.

Another three-member delegation, headed by Song Chungjiu, general manager of China International Cultural Tours Inc., which is under the Culture Ministry, came to Seoul on May 18. They are visiting culture-related organizations.

As for the high interest of Chinese officials in coaxing more Korean tourists, pertinent officials point out that it is urgent to open a Seoul-Beijing air route and Hu has promised to propose it to his government when he returns.

Donations to UN Efforts for Iraqi Refugees Cited

SK2905030191 Seoul YONHAP in English 0240 GMT 29 May 91

[Text] Seoul, May 29 (YONHAP)—South Korea will donate an additional 300,000 U.S. dollars and 1,000 tons of rice to the U.N. relief fund for Iraqi refugees, including Kurds, the Foreign Ministry said Wednesday.

The money will be sent to U.N. headquarters and the rice will be delivered to U.N. officials in the Middle East as soon as possible for distribution to refugees scattered across Turkey and Iran, Ministry Spokesman Chong Ui-yong said. South Korea gave another 300,000 dollars in April.

"The government feels deep sorrow and pity for the agony and hardships still suffered by the Iraqi refugees," Chong said.

Egyptian Military Logistic Team Arrives in Seoul

SK3005121891 Seoul YONHAP in English 0902 GMT 30 May 91

[Text] Seoul, May 30 (YONHAP)—A four-member Egyptian military logistic mission arrived in Seoul Thursday for a 10-day visit to discuss the promotion of cooperation between South Korea and Egypt in the defense industry, Foreign Ministry officials said.

The Egyptian team, led by Maj. Gen. Abdel Motagolli [name as received], chief of the armament authority, is scheduled to meet with Vice Defense Minister Kwon Yong-hae and Assistant Foreign Minister Yi Ki-chu and to visit defense industry factories in Kwangju, Changwon and Ulsan.

They will leave Korea on June 8.

Coverage of Maltese Delegation Visit to South

Delegation Arrives in Seoul

SK3005122091 Seoul YONHAP in English 1138 GMT 30 May 91

[Text] Seoul, May 30 (YONHAP)—A Maltese Government delegation headed by Deputy Prime Minister Guido de Marco arrived here on Thursday evening for a two-day official visit.

De Marco came here in his capacity as the Maltese foreign minister at the invitation of his South Korean counterpart Yi Sang-ok, but his talks with officials here are certain to revolve around the issue of Korea's U.N. membership in view that he is to preside over the forthcoming U.N. General Assembly.

De Marco and his party have just wrapped up visits to Moscow, Beijing and Pyongyang. De Marco is expected to explain to South Korean officials especially the outcome of his discussion in Pyongyang on North Korea's position on U.N. membership.

The senior Maltese official will have a press conference Friday afternoon.

Staying until Saturday, he will pay a courtesy call on President No Tae-u.

Yi Sang-ok, De Marco Meet

SK3105030391 Seoul YONHAP in English 0036 GMT 31 May 91

[Text] Seoul, May 31 (YONHAP)—Guido de Marco, president of the U.N. General Assembly, will discuss Korea's U.N. entry and international cooperation concerning it with South Korean Foreign Minister Yi Sang-ok on Friday.

Coming from a tour of the Soviet Union, China and North Korea, de Marco will brief Yi on North Korea's position regarding its decision to enter the United Nations separately from South Korea.

Yi and de Marco, who is here in his capacity as the Maltese foreign minister, will also discuss ways of expanding cooperative ties between their countries.

Upon arrival at Kimpo International Airport on Thursday, de Marco told reporters there would be no reversal in North Korea's surprise decision to join the United Nations separately from South Korea. He said he formed this impression during several hours of talks with North Korean President Kim Il-song in Pyongyang.

North Korean Foreign Minister Kim Yong-nam has shown keen interest in his country's post-admission activities in the United Nations, de Marco said, adding that North Korea's decision to join the world body seemed to signify an overall change in its diplomacy.

Asked if North Korea's admission to the United Nations would be followed by opening of its nuclear facilities to international inspection, the U.N. official said admission would "positively" affect resolution of the other issue.

He said North Korean officials agreed when he said the joint admission of South and North Korea into the United Nations was the right way to achieve Korean reunification.

De Marco is to hold a press conference at the Foreign Ministry Friday afternoon.

Dropping a steadfast objection to South Korea's call for simultaneous yet separate admission into the United Nations, North Korea on Tuesday announced that it would file an application separately from the South.

De Marco Views Situation

SK3105102491 Seoul YONHAP in English 0937 GMT 31 May 91

[Text] Seoul, May 31 (OANA-YONHAP)—Guido de Marco, visiting United Nations General Assembly [UNGA] President, said Friday that North Korea's entry into the United Nations will not create direct changes on the presence of the U.N. Command Military Armistice Commission or the truce agreement.

North Korea is likely to show more active interest in signing the Nuclear Safeguard Accord once it joins the world body, de Marco said in a press conference.

"North Korea's entry into the United Nations is a step forward toward resolving the nuclear issue, and I think a solution could be arranged eventually," he said.

The UNGA president, who arrived in Seoul Thursday in his capacity as the Maltese foreign minister, had toured the Soviet Union, China and North Korea before coming here.

He sensed during his visit to Pyongyang that North Korea will submit its U.N. application in the near future, adding it would be ideal for peace efforts on the Korean peninsula if ambassadors from South and North Korea could discuss together not only details on U.N. membership but on national unification and other important bilateral issues.

North Korea's U.N. entry, however, is not likely to directly influence the presence of the armistice commission or the replacement of the truce agreement, de Marco projected.

These matters, he said, will depend on how the situation evolves on the Korean peninsula after Seoul's and Pyongyang's entry into the United Nations and where the political will of the people and the governments of the two sides are directed.

When asked for details on his meetings with North Korean President Kim Il-song and other officials, the Maltese foreign minister said Pyongyang leaders seemed to be regarding their entry into the United Nations as an act of accepting the terms of the U.N. Charter by exercising their sovereign right.

He is unwilling to say for sure that Kim himself made the decision to enter the world organization, de Marco said, and he personally believes China exerted influence behind the decision.

Chinese Premier Li Peng, who visited Pyongyang earlier in May, was reported to have notified North Korea that it can no longer count on China vetoing Seoul's application.

Touching on his talks with Pyongyang leaders, de Marco said that the North Korean officials explained they have to join the global body from the perspective that South Korea alone should not represent the Korean peninsula. They stressed separate membership is only a temporary arrangement until national unification, he added.

He said there was no particular message from the North Korean leader to South Korean President No Tae-u.

South Korean Foreign Minister Yi Sang-ok and de Marco earlier Friday agreed to discuss working-level bilateral economic cooperation, such as signing of agreements on investment protection and avoidance of double taxation.

Burma

Most NLD Leaders, Members in Jail, Hiding

BK2605023491 Hong Kong AFP in English 0112 GMT 26 May 91

[Report by Erskine McCullough]

[Text] Bangkok, May 26 (AFP)—Anyone bold or brave enough to hold a party to celebrate the first anniversary of the National League for Democracy's (NLD) crushing victory in last year's Burmese general elections will find themselves hard put to make up a guest list.

In the 12 months since the NLD surprised everyone, including themselves, by taking more than 80 per cent of the seats, their leadership and party membership has been decimated by the country's ruling military junta.

Three quarters of the party's executive has either been jailed or fled underground. Leading party members have died in prison under mysterious circumstances and supporters nationwide have been cowered into silence.

"The military seem hellbent on trying to wipe out all traces of the NLD and what they stood for," one Rangoon-based observer said recently.

One year ago this Monday, the State Law and Order Restoration Council (SLORC), the name the junta rules under, surprised its numerous critics by holding elections which independent observers accepted as honest and fair.

The NLD captured the hearts and minds of an electorate eager for a switch to democracy, despite the fact that its idolised leader, Aung San Suu Kyi, had been under house arrest for almost one year.

"It was a short-lived joy," one long-time Burmese observer said.

"Almost within days of the results being known, the SLORC set out to render them useless with a campaign of terror and repression. A campaign that still continues," he added.

Australian Foreign Minister Gareth Evans last week voiced what some western diplomats have been saying privately about the SLORC.

"It is now increasingly difficult to avoid the conclusion that, as much as we hoped and believed otherwise at the time, that election was a fraud designed by the military only to flush out the next layer of dissident democratic leaders, making it easier to move against all significant opposition groups using increasingly intimidatory measures," he told the Australian parliament.

But other diplomats hold that the SLORC simply miscalculated the determination of the Burmese people to put an end to military rule and assumed that its bloody takeover in 1988 was enough to intimidate voters.

The "increasingly intimidatory measures" referred to by Mr. Evans were highlighted earlier by Amnesty International in a special report released last November.

The London-based human rights group accused the junta of turning Burma into a secret state of terror where arrests and torture are commonplace.

"The military arrest people anywhere—in homes, buses, cafes—and have relentlessly tortured government critics. Hundreds of people have simply vanished into the prison system," the report said.

The U.S. Government, in its annual human rights report, noted that "severe and brutal repression of all forms of political dissent characterises the situation in Burma."

The United Nations Human Rights Commission has also been highly critical of the junta's record.

Despite worldwide condemnation by virtually every western government, the SLORC have simply withdrawn even further into their shell. Access to all but a few journalists has been barred and the repression continues unabated.

Rangoon-based diplomats have reported that it has become increasingly difficult to gather independent news of what is happening in the country. They claim that the junta's military intelligence, under the shadowy figure of Major General Khin Nyunt, has infiltrated almost every walk of life.

The military show no signs of relinquishing their stranglehold on the country.

Last month Major General Tin U, the army chief of staff, underlined the junta's thinking when he announced that the SLORC was unable to find any organisation capable of running the country.

The remarks reinforced comments by diplomats that SLORC would only hand over power when they found a puppet regime willing to carry out their wishes.

"What has happen here in only one year is depressing. From the hope and excitement of when the NLD won the elections to the utter despair that now exists," one observer said.

One diplomat, when asked recently to assess the chances of change in Burma, said: "Change will now come about by evolution, not revolution."

What would have been the revolution—the NLD's election victory—has been firmly crushed. No anniversary party. No celebrations.

Prison Terms Extended for NLD

BK3005053691 London BBC in Burmese to Burma 1345 GMT 29 May 91

["Article" by correspondent Pam O'Toole from the program "Current World Affairs"]

[Text] Reports from Myanmar [Burma] say a group of NLD [National League for Democracy] members who have been given seven years prison terms and the prison terms of top two party leaders have been extended. This follows a report that 34 elected NLD representatives have been given prison terms early this month. Pam O'Toole writes that a majority of those sentenced to imprisonment have already been detained for some time.

The NLD, which won the 27 May 1990 elections by a landslide, was never allowed to claim a transfer of power. Since it won the elections, many of its elected representatives have been detained. Many were arrested during the harsh opposition crackdown in September and October last year. The long prison terms passed against them have thus confirmed their arrest.

In early May, 34 parliamentary representatives were given prison sentences of 10 to 25 years. It is believed the military authorities, who have not transferred power, have unanimously planned to form an interim government. Sources in Yangon [Rangoon] say although these latest sentences had been passed around the middle of May, the government has not announced them publicly. Many news circles have confirmed that seven NLD representatives and three party organizers have been sentenced to seven years in prison.

At least three of the parliamentary representatives sentenced are former members of NLD's central executive committee. The representatives are: U Chan Aye, U Kyaw Min, U Po Thein, U Tin Htut, U Myo Aung, U Soe Nyunt, and U Win Hlaing. The others are U Moe Zaw U, U Yan Aung, and U Ko Ko Gyi who are from the central youth committee. Another source says that another central committee member, U Tin Win, has been sentenced to seven years.

Meanwhile, the prison sentence of many leading NLD members detained for some time have been extended by 10 years. Among them are U Kyi Maung, who was recognized as the interim leader of the NLD after the May elections. The 10-year sentence passed on him has thus been doubled to 20 years. Similarly, the seven-year prison sentence on U Chit Khaing, the acting secretary of the NLD, was extended to 14 years. These two were removed from the NLD Central Executive Committee when the party was reorganized early this spring. Observers in the region believe the reorganization was carried out under pressure from the military government. The party's top leaders under detention are Daw Aung San Suu Kyi and U Tin U, who have been removed from the Central Executive Committee. Only the three original members of the committee, who were former senior military officials, were able to maintain their posts after the reorganization. The third NLD leader, U Myint Soe, is from the party's central youth committee, and his seven-year prison term has been increased by 10 years.

Sources from Rangoon say the reason for extending the prison terms is not know. However, they believe the sentences were probably extended in line with the harsh sentences passed on NLD members some weeks ago.

Khin Nyunt Described as 'Feared', 'Sadistic'

BK2605030291 Hong Kong AFP in English 0134 GMT 26 May 91

[Report by Erskine McCullough]

[Text] Bangkok, May 26 (AFP)—As reports of torture, brutality and harassment against opponents of the military junta continue to filter out of Burma, one man remains firmly in control of the campaign of fear—Major General Khin Nyunt.

According to diplomats, observers and western intelligence sources, the 52-year-old head of military intelligence has become the most feared man in Burma.

"Even his friends are scared of him. No one feels safe from him," one long-time Burma observer said recently.

Branded by critics as the "prince of evil" because of the climate of terror with which he has blanketed the country, he is credited with turning torture into an art form in the scores of interrogation centers under his command.

"Torture is much more sophisticated in the country now. It has also become routine," Bangkok-based author and journalist Bertil Lintner insists.

"He is despised, even by his fellow officers, but everyone is afraid of his power," Mr. Lintner added.

It is a view shared by many independent Burma watchers.

"Put simply, Khin Nyunt is a very wicked man and probably sadistic," explained one Rangoon resident who has met the intelligence chief several times.

Ridiculed by his opponents for what they describe as his effeminate walk, an opinion supported by westerners who have met him, the bespectacled Khin Nyunt was handpicked to be the country's chief spymaster by the country's former military strongman Ne Win.

Although Ne Win formally gave up all his state and party posts nearly three years ago, few people doubt that he still pulls the strings from his heavily protected compound in the outskirts of Rangoon.

"While Ne Win is still alive Khin Nyunt is safe. His enemies inside the junta would not dare try anything against him," one Rangoon-based observer said.

Described as being ruthless and ambitious, the long-time staff officer, a point that rankles with those who have served in the frontline, has begun to strengthen his power base by putting former classmates in top positions throughout the country.

According to western intelligence files, Khin Nyunt went straight into the army after leaving Rangoon University at the age of 18, but it is not clear whether he opted out or managed to graduate.

From then on, he rose steadily through the officer ranks until in the early 1970s, already an intelligence officer for almost 10 years, he was handpicked by Ne Win. From then on he became a protected man.

In December 1983, Khin Nyunt became head of military intelligence and immediately began putting together a spy network that even his critics admit is proof of his capabilities.

"There is no doubt he is intelligent, articulate and a quick thinker. Certainly more that anyone else in SLORC (an acronym for the ruling State Law and Order Restoration Council) and certainly much brighter than the official head of SLORC, Saw Maung," one intelligence source said.

Khin Nyunt is still believed to live with his wife and children in the compound of Ne Win, a well protected strip of land jutting into Inya Lake. The houses, all English style, are a reminder of the days when Burma was a British colony.

Foreign residents in Rangoon have reported Khin Nyunt switching his interests increasingly towards foreign affairs despite the fact that his knowledge of the outside world is considered strictly limited. His only known trips abroad have been to China and Thailand.

"He seems quite happy now showing a high profile and he is clearly highly ambitious. There is no doubt he is the man to watch," one resident said.

Rumours abound about Khin Nyunt's sexual habits but few people who have come in contact with him give such stories any credence.

"Although he certainly looks effeminate his wife is a very formidable woman and rumours about him having affairs are I suspect just that. Certainly in this secretive society there is no hard proof," one analyst said.

In April last year, Burmese satirist Zargana did a skit on stage dressed as a woman, which according to members of the audience was clearly intended to to be Khin Nyunt.

Shortly afterwards Mr. Zargana was picked up and later jailed for at least five years for being a threat to the state.

Khin Nyunt is also believed to be linked to Burma's multimillion dollar illegal heroin business and several drug sources are convinced that he plays a major role in one of the country's biggest exports.

According to intelligence sources, Khin Nyunt is a millionaire many times over with properties in Bangkok and Singapore—all suspected of being paid for with drug money.

"Nothing goes on in Burma without his knowledge, or approval. On the one hand he puts on a public front of battling the drug trade but at the same time people closely associated with him are deeply involved in it. Although there is not any hard evidence, it is stretching things too far to believe he is clean," one drug source involved in fighting the Burmese connection said.

Said to have a very controlled temper, Khin Nyunt is tipped to at some stage take over control of Burma.

"If not soon, certainly sometime in the future he will be in charge. His fellow junta members know that if their power is to be preserved they need him. Frankly he is indespensible to them," one Rangoon resident forecast.

"Khin Nyunt will be around for some time to come," he added.

Brunei, Malaysia & Singapore

Malaysia

Thai Prime Minister Arrives for Visit

Meets Mahathir

BK2905140691 Kuala Lumpur Radio Malaysia Network in English 1330 GMT 29 May 91

[Text] Thailand supports Malaysia's proposed formation of the East Asia Economic Grouping, EAEG. The visiting Thai prime minister, Mr. Anan Panyarachun expressed his support to Datuk Sri Dr. Mahathir Mohamed during their meeting in Kuala Lumpur today. The Thai prime minister who is also on a familiarization visit, said that his officials would examine the concept and prepare a paper on it.

These details were disclosed to reporters by the deputy secretary (1) of the Foreign Affairs Ministry, Datuk Abdul Halim bin Ali, after the two prime ministers met at the Prime Minister's Department in Kuala Lumpur.

According to Datuk Abdul Halim, both countries would also continue the existing close cooperation and try to overcome outstanding problems which need to be solved. The problems included: the arrests of Thai fishermen who did not comply with Malaysian regulations, the transit of perishable goods from Thailand to Singapore, overlapping television signals over the Malaysian border, and tourism.

Datuk Abdul Halim also said the Thai prime minister was interested to learn how Malaysia handles the privatization project. Datuk Abdul Halim said that Datuk Sri Dr. Mahathir also raised the future direction of ASEAN and the forthcoming ASEAN summit in Singapore which should focus on economic issues in view of recent world developments. Datuk Sri Dr. Mahathir also said that ASEAN should be strengthened in order to face the challenges of the coming years.

Mahathir Hosts Banquet

BK3005080691 Kuala Lumpur Voice of Malaysia in English 0600 GMT 30 May 91

[Text] Datuk Sri Dr. Mahathir says it is necessary to strengthen ASEAN and its secretariat to ensure that its members can be protected from the effects of negative developments in the arena of internatinal policies. He says only a regional organization which is strong can offer the most credible arrangement, which can help its members, comprising small nations, to safeguard their interests. To strengthen ASEAN, five eminent persons have been chosen to examine and make specific recommendations. The report will be made available to all member nations.

The prime minister said this when speaking at a banquet in honor of visiting Thai prime minister, Dr. Anan Panyarachun, in Sri Perdana in Kuala Lumpur. Datuk Sri Dr. Mahathir also said that he is pleased with the agreement by all ASEAN members to study and elaborate on the concept of the Malaysian proposal to set up the East Asia Economic Group, EAEG.

Dr. Anan said that Malaysia, as the current chairman of the ASEAN Standing Committee, played a constructive and pivotal role in exploring new avenues for ASEAN cooperation, especially at the time when rapid changes are taking place in the regional and international environment. He said the various ideas and proposals put forth by Malaysia have provided a timely impetus for charting the future direction of ASEAN. The move was highly appreciated by Thailand and other ASEAN countries. Dr. Anan said Thailand is always open to new ideas and approaches. It will give a serious study of Malaysia's EAEG proposal as a possible vehicle for further consultation and coordination among countries in the region toward an open and free international trading system.

Anan Speaks at Reception

BK3005050091 Bangkok Radio Thailand Network in Thai 0000 GMT 30 May 91

[Text] Prime Minister Anan Panyarachun delivered a speech at the reception hosted by Malaysian Prime Minister Datuk Sri Dr. Mahathir Mohamed in honor of the Thai prime minister and his delegation who are visiting Malaysia 29-30 May.

The prime minister expressed thanks and appreciation to the Malaysian Government for its exceptional welcome for the Thai delegation during its official visit to Malaysia.

Anan said: Despite the short visit, both sides have cooperated in discussing various bilateral and regional problems for our mutual benefit.

As Thailand and Malaysia are the only two ASEAN countries that share the closest common border, there must certainly be various problems. However, both countries have been able to solve such problems in a successful and acceptable manner for their mutual benefit. Among these are the disarming of the Communist Party of Malaya and the establishment of a Thai-Malaysian joint committee in order to make use of natural resources located along the border areas in the Gulf of Thailand. These actions reflect the friendship and cooperation between the two countries, the prime minister pointed out.

Thailand and other ASEAN countries are impressed with Malaysia's present constructive role as the chairman of the ASEAN Commission which has been seeking a new way to promote cooperation among the ASEAN member countries in the wake of rapid changes in both the regional and international spheres, concluded the Thai prime minister.

Comments at News Conference

BK3005101591 Kuala Lumpur BERNAMA in English 0926 GMT 30 May 91

[Text] Kuala Lumpur, May 30 (OANA-BERNAMA)—Thailand has asked Malaysia to be more lenient in dealing with Thai fishermen who pass through the country's territorial waters on their way to fishing grounds.

Thai Prime Minister, Dr. Anan Panyarachun, who called for restraint in enforcement, said Thursday that he was concerned with the suffering and plight of Thai fishermen arrested by Malaysian authorities.

He said he brought along his deputy interior minister and deputy agriculture minister to help work out a solution to the problem.

"I hope this problem can be resolved before I leave the country," he told a press conference at the Royal Thai Embassy here before leaving for a visit to Singapore.

Dr. Anan, named interim prime minister following the Feb 23 military coup, arrived here Wednesday for a brief familiarisation visit during which he held talks with Prime Minister Dr. Mahathir Mohamed.

The talks were followed by a meeting between officials of the two countries, led by the two prime ministers.

Dr. Anan, who was granted an audience by the Yang Di-Pertuan Agong (the king) Sultan Azlan Shah, said the exchange of views on the matter with Dr. Mahathir during the meeting had enabled him to understand the problems better.

He added: "I've found a sympathetic note with the understanding and desire to settle the problem which we believe could set up a workable system to take care of the Malaysian legal aspects as well as the Thai technical problems."

He said he was not only concerned with the suffering and plight of the Thai fishermen but also wanted to see that the problem did not recur.

Dr. Anan also said it was up to Malaysia to explain the rationale of the concept behind its proposed East Asia Economic Grouping (EAEG) which he personally found to be "generally acceptable".

"I personally found it generally acceptable ... of which the objective is to strengthen the GATT [words indistinct] features need further study," he added.

On the possibility of the Indochinese states and Myanmar [Burma] joining ASEAN, he said there should not be any obstacle for them to do so but "they must first get their house in order."

However, he added, none of those countries had applied to join the grouping.

Dr. Anan said he saw much better prospects for economic cooperation among ASEAN countries and more activities could be decided at the next ASEAN summit in Singapore early next year.

ASEAN should operate more as an economic grouping, not as a closed one but one that relied first on self-reliance and then on interdependence and coordination in policy measures, he added.

"If we can operate as a trade group with an open mind attitude, our bargaining position in international trade and economic affairs would be very much stronger," he said.

He added that prospects for closer ASEAN economic cooperation were now much better than three to five years ago.

He also noted that Malaysia, Indonesia, and Thailand had now moved forward in liberalising trade.

In Singapore, Dr. Anan and his 10-member delegation were received on arrival at Changi Airport by Health Minister Yeo Cheow Tong, who is also minister-in-attendance.

Later, he was given a ceremonial welcome attended by by Prime Minister Goh Chok Tong and inspected a military guard of honour.

Dr. Anan was then introduced to Singapore officials and members of the diplomatic corps before calling on President Wee Kim Wee. He later held talks with Goh. Friday, he will meet with the Thai community in Singapore and hold a press conference at the Royal Thai Embassy before leaving for home.

Commentary on Thai Relations

BK3105101491 Kuala Lumpur Voice of Malaysia in English 0800 GMT 31 May 91

[Station commentary]

[Text] Malaysia was honored to play a host over the past two days for the new Thai Prime Minister Dr. Anan Panyarachun, who is currently on his first official visit abroad since assuming office. He was named interim premier in February following the military coup which ousted General Chatchai Chunhawan, the first elected prime minister in Thailand since 1976. Malaysia is not new to Dr. Anan as he was here a few years ago working and leading a multinational plantation company.

Malaysia and Thailand have always maintained the most cordial of relations and mutual cooperation. It is this cooperation that helped to bring an end to the activities of the communist terrorists who were operating from the common border area between the two countries. In this regard, credit must be given to the Malaysia- Thailand General Border Committee which has been instrumental in fostering a special relationship in times of crises when both countries faced a common threat. The military relationship between Malaysia and Thailand has consistently remained strong, bonded cordially by long-standing traditional ties. Under the auspices of the General Border Committee, Malaysia and Thailand have since 1979 conducted annual joint air exercises codenamed Air Thamal. Hitherto, these exercises have been confined to providing ground support role and certain flying missions with the aim of helping ground troops in fighting communist terrorists in the common border areas. From next year Air Thamal is to be upgraded to air defense exercises whereby concentration will be on strengthening the common air defense capabilities of both countries.

It is not only in military maneuvers that Malaysia and Thailand have extended cooperation to each other. In May last year, the two signed an agreement to carry out joint exploration and exploitation of non-living resources in overlapping sea boundaries. Known as the Malaysia-Thailand Joint Authority Agreement, it was ratified in January this year. Yet another area of cooperation was seen in Malaysia's positive response to Thailand's request for the supply of additional crude oil. Thailand appealed for an additional 20,000 barrels per day following a shortfall in oil imports during the Gulf crisis.

At a dinner held in honor of the visiting Thai premier, his Malaysian counterpart, Dr. Mahathir Mohamed, emphasized the need to enhance bilateral cooperation between the two countries. Such cooperation will help consolidate ASEAN, which as a regional organization has to remain strong and resilient in the face of mounting challenges posed by the twists and turns in international politics. [Passage indistinct] relations that have existed between the two countries.

The exchange of views and ideas will help enhance the role the two countries can play in meeting new challenges.

Singapore

Thai Prime Minister Visits; Meets Leaders

Meets Prime Minister

BK3005154691 Singapore Singapore Broadcasting Corporation in English 1400 GMT 30 May 91

[Text] The prime minister, Mr. Goh Chok Tong, has called on ASEAN to explore new means of economic cooperation. He said if ASEAN can [words indistinct] toward a freer market system within an ASEAN competitive framework, the group will one day arise at the level of cooperation and prosperity which the European Community enjoys today.

Mr. Goh was speaking at a dinner at the Istana [palace] in honor of the visiting Thai prime minister, Mr. Anan Panyarachun. The prime minister said Thailand and Singapore must look into new areas of cooperation, including economic cooperation. This will deepen and expand bilateral ties and strengthen ASEAN.

Mr. Goh said Mr. Anan's visit proves the close ties between both countries. He said Singapore is confident that under Mr. Anan's leadership, Thailand will continue to enjoy peace and the fast economic growth in the coming years.

In his speech, Mr. Anan Panyarachun also called for ASEAN to work harder together toward economic cooperation. He said if ASEAN countries combine their strength, they will be able to be in a stronger position to compete.

Mr. Anan believed closer intra-ASEAN economic cooperation will be consistent with [word indistinct] economic liberalization and deregulation already taking place in member countries. He stressed that economic cooperation is not only the key to strengthening the ASEAN partnership, but also the key to widening our links with the rest of Southeast Asia.

Meets President

BK3005122091 Singapore Singapore Broadcasting Corporation in English 1100 GMT 30 May 91

[Text] The Thai prime minister, Mr Anan Panyarachun, who is in Singapore for a two-day official visit, has held talks with the prime minister, Mr. Goh Chok Tong. The Thai leader [words indistinct] on the role of the Thai interim government, will also discuss ways to find a solution to the Cambodian problem.

Earlier, the Thai leader called on President Wee Kim Wee after a ceremonial welcome at the Istana [palace]. Mr. Anan, who is accompanied by 11 Cabinet members and officials, is here as part of the familiarization [words indistinct]. He has been to Indonesia and Malaysia.

Remarks on Economic Grouping

BK3105142291 Singapore Singapore Broadcasting Corporation in English 1100 GMT 31 May 91

[Text] The proposed East Asian Economic Grouping can provide wider trade between ASEAN and the Asia Pacific Economic Cooperation or APEC. This is the opinion of the Thai prime minister, Mr. Anan Panyarachun. Mr. Anan, who is on a two-day visit to Singapore said such a grouping is good for ASEAN and for it to be completely successful, it has to be an ASEAN project. This is because there is a need for ASEAN countries to move more rapidly toward greater economic cooperation.

He said Thailand supports the general objectives of the East Asian Economic Grouping. There is a need to examine the idea in greater detail. It is being studied at the senior official level in ASEAN countries and will be put to the foreign ministers meeting in Kuala Lumpur.

On the Cambodian problem, he said anybody involved in finding a solution has to remain permanently optimistic. He hoped the Jakarta meeting of the warring groups this weekend would bring some progress toward restoring peace in the country. He said there is no change in Thailand's fundamental policy towards Cambodia. He said the present government is an interim one and may not be appropriate to embark on any initiative on its own.

The Thai prime minister has left for home. He was seen off at Changi Airport by the health minister and minister-in-attendance, Mr. Yeo Cheow Tong.

Cambodia

Further on UN Official's Meetings in Phnom Penh

BK3105062091 Hong Kong AFP in English 0557 GMT 31 May 91

[Text] Phnom Penh, May 31 (AFP)—United Nations aid to civilians in areas held by Cambodian guerrillas can only be considered if the current cease-fire is maintained, a senior U.N. official said before winding up a brief visit here Friday.

"If the cease-fire continues and all Cambodian parties are in agreement about humanitarian assistance... I think one can think of some kind of programme," Shah A.M.S. Kibria, special representative of the U.N. secretary-general for coordinating humanitarian aid to Cambodia, said.

"I cannot send civilian people into combat zones," added Mr. Kibria, who arrived here Wednesday to continue regular consultations with the government and to discuss ways to help "more than 185,000 displaced persons in different parts of the country."

Civilians in the resistance held areas on the border are not included in this number but Mr. Kibria's deputy, Dennis McNamara, conducted a fact finding mission last week in regions occupied by the two non-communist factions in the tripartite resistance alliance.

They assessed the food and medical needs of civilians with the blessing of the Phnom Penh and its rivals.

Mr. Kibria, stressing again the cease-fire link, said there had been "no decision" on whether to give aid to these people and he would have to decide what to do after reading Mr. McNamara's report and consulting donor nations.

The U.N. official said he had informed Phnom Penh leaders, including Prime Minister Hun Sen and Foreign Minister Hor Namhong, of his appeal to donors in donors for 11.85 million dollars to help the displaced people.

"I think I will get all of it and more," he said, adding that donors were due to meet again on June 18.

Mr. Kibria also informed the Phnom Penh leaders of plans to set up a policy advisory body grouping non-governmental organisations and U.N. agencies to coordinate the programme and liase with donors and governments. He said he hoped the U.N. Development Programme (UNDP) would handle day-to-day implementation of the displaced people programme.

He said the plan had received support from all concerned parties, including the government here, and they hoped to have it on track by the end of next month.

Most of the tens of thousands of displaced people have fled from war zones and are a major financial burden on the government. In addition, more than 330,000 Cambodian refugees are housed in camps in Thailand—most of them run by the different guerrilla groups, including the Marxist Khmer Rouge.

Hor Namhong Interviewed on Jakarta Plans

BK3105071091 Hong Kong AFP in English 0652 GMT 31 May 91

[By Leo Dobbs]

[Text] Phnom Penh, May 31 (AFP)—The Phnom Penh government will return the ball to the resistance's court at peace talks in Jakarta next week with fresh proposals aimed at preventing the Khmer Rouge from returning to power.

It will also call for the month-old cease-fire in Cambodia's 12- year-old civil war to be extended beyond next week's meeting and seek further negotiations on the thorny issue of disarmament, Foreign Minister Hor Namhong told journalists here Friday.

But many observers believe there will be no major breakthrough at Jakarta and note that the most powerful of the three guerrilla groups, the Khmer Rouge, has said it will resume fighting form Wednesday if there is no accord. The Khmer Rouge and its ally, China, were thought unlikely to accept Phnom Penh's proposals.

The Phnom Penh delegation, led by Premier Hun Sen and including the foreign minister, will leave here Saturday for Indonesia to attend the meeting of the Supreme National Council (SNC)—which groups all four warring parties and is designed to represent Cambodia's sovereignty.

Mr. Hor Namhong said, "We have prepared some amendments" concerning three sticking points to full acceptance of a United Nations peace plan for Cambodia.

These are the need for "concrete measures" to prevent the Marxist Khmer Rouge from reimposing terror rule over this country and military and administrative arrangements between the signing of a peace pact and elections.

"The main thing in these three points is the prevention of a return to genocide.... On this point we are going to give some principles," at the Jakarta meeting Sunday though Tuesday, Mr. Hor Namhong said. He would not give details of Phnom Penh's proposals, saying only that the press would be informed at the end of the meeting. But he hinted at part of the contents by saying, "we believe the ringleaders, those responsible for crimes, should not participate in elections."

These included nominal Khmer Rouge head Khieu Samphan and defence chief Son Senn, both SNC members, and the infamous Pol Pot—said to still control the group from hiding—and his former foreign minister, Ieng Sary.

He also said the political and military structures of the Khmer Rouge were responsible for past atrocities and so these must be dissolved. "We believe the concrete measures we will propose are sufficent to prevent a return by the Khmer Rouge."

Pol Pot's Khmer Rouge regime left hundreds of thousands of Cambodians dead from April 1975 until January 1979 when it was ousted by Vietnamese forces and replaced by the current government.

Dismissing the group's military threat, he said, "the only possibility of the Khmer Rouge returning to power is through a political solution."

This was why it was so important to include measures against their return to power in a final peace document. "Our position at Jakarta is related to these concrete measures."

The resistance alliance and some overseas countries have said Phnom Penh is holding up progress towards peace by not fully accepting the U.N. plan at a December meeting of the SNC and failing to offer alternatives to points it rejected. Fresh proposals from Phnom Penh would switch the initiative to the other side and take the game a step further, analysts here said.

The foreign minister said his government would also urge that the cease-fire implemented May 1 continue until the signing of a comprehensive peace pact.

"It is to our regret that before the meeting the Khmer Rouge has set up this ultimatum," Mr. Hor Namhong said, of the group's threat to resume fighting if there was no breakthrough at Jakarta.

Mr. Hor Namhong said the international sponsors of the Jakarta meeting—Indonesia, France and the U.N. secretary general—had made it quite clear that the outstanding differences between the two sides should be discussed by the SNC.

Phnom Penh was "prepared to listen to and carefully study any proposition from the other side," including the problem of SNC leadership.

Supporters of former monarch Prince Norodom Sihanouk will reportedly demand that he be made chairman of the body, but the resistance rejects Phnom Penh's insistence that Mr. Hun Sen be made sole vice chairman. An SNC meeting in December collapsed over this issue.

Possible Peace Plan Modification Suggested

AU3005200791 Paris AFP in English 1918 GMT 30 May 91

[Excerpts] Luxembourg, May 30 (AFP)—France and Indonesia said here Thursday that changes could be made in the United Nations peace plan for Cambodia in a last-minute bid to get the country's warring factions to lay down their arms.

Indonesian Foreign Minister Ali Alatas said more talking was needed before Cambodia's Vietnamese-backed Phnom Penh government, and three rebel movements fighting it, would agree on demobilisation in the run-up to U.N. supervised elections.

French Foreign Minister Roland Dumas said France was ready to provide "all necessary guarantees" that there would be no return to genocide.

France and Indonesia are co-chairing the Paris International Conference on Cambodia.

The ministers were speaking during a ministerial meeting between the European Community (EC) and the Association of Southeast Asian Nations (ASEAN).

The Cambodian peace process has stalled over the reluctance of the Vietnamese-backed Cambodian Government to demobilise its army under the U.N. peace plan.

Mr. Alatas said the peace process was at a "very decisive stage". [passage omitted]

The Indonesian minister hinted that the peace plan could be modified to appease Phnom Penh's fears about the results of a demobilisation of troops and guerrillas, and a possible return to genocide.

Mr. Dumas stressed that the peace plan agreed in August last year had never been meant as a "take-it-or-leave-it" proposal.

He added that Indonesia and France were planning "constructive proposals" at the Jakarta meeting, but that there could be no changes in the "spirit" of the plan.

The French minister said that, while France was prepared to make guarantees against a return to genocide, this concession should not be used as propaganda to block a "fragile peace".

He said fighting could resume if the Jakarta meeting did not succeed.

"We are at a point where everything could collapse," he said.

A fragile ceasefire came into effect in Cambodia earlier this month.

Mr. Alatas would not comment on the Khmer Rouge's threat to start fighting again on June 5.

"There is always a lot of talking before such a meeting (as the Jakarta one)," he remarked.

The Indonesian minister said he was scheduled to meet U.S. Assistant Secretary of State Richard Solomon later Thursday.

Khmer Rouge Said Infiltrating Coalition Partners

BK3105125091 Hong Kong AFP in English 1231 GMT 31 May 91

[Text] Phnom Penh, May 31 (AFP)—The Khmer Rouge has infiltrated the officer corps of its two non-communist Cambodian resistance partners, an insider charged here Friday.

The allegation came from Chan Samuth, who said he was a guerrilla before defecting to government forces March 28 in Kompong Thom Province.

Dressed in camouflage fatigues and forage cap, the 33-year-old said he had joined the Khmer Rouge's 616 brigade in early 1988 and barely three months later was told by his commander to infiltrate a brigade of fighters loyal to former monarch Prince Norodom Sihanouk.

He was soon appointed chief bodyguard in command of 27 men—seven of them Khmer Rouge.

Mr. Chan Samuth asserted that the commander and deputy commander of the brigade were both Khmer

Rouge men and claimed that the two non-communist resistance factions were riddled by infiltrators in command positions.

"As far as I realized Prince Sihanouk and (his son) Prince Ranariddh knew very well about that, but they do nothing because they are under pressure from China and are scared of the Khmer Rouge."

China is the main backer of the Khmer Rouge, which ruled Cambodia through terror from 1975 to January 1979.

Mr. Chan Samuth reckoned their aim was to make a political takeover easier after a military victory.

The U.S. Congress has had heated debate on alleged military collaboration between the Khmer Rouge and its two partners.

Washington has backed Prince Sihanouk and nationalist leader Son Sann with non-lethal aid but some U.S. senators allege that funds are being channelled through these groups to the Khmer Rouge, which the United States publicly condemns.

Concrete proof of a military link—denied by the guerrillas —would likely block aid to the two non-communist groups.

Mr. Chan Samuth, living in fear of his life, also said he had seen Europeans or Americans with the guerrillas in 1989 and 1990, adding that they had been taking photographs or having "secret meetings."

Thai-based Western reporters have journeyed into Kompong Thom Province with non-communist guerrillas, observers said, adding that this gave some credibility to the testimony Friday.

UN Fact-Finding Mission Visits Rebel Areas

BK2405140091 Hong Kong AFP in English 1228 GMT 24 May 91

[Text] Bangkok, May 24 (AFP)—A United Nations fact-finding mission has visited guerrilla-held areas of Cambodia to assess the humanitarian needs of displaced civilians, U.N. officials said here Friday.

The mission assessed the food and medical needs of civilians in parts of northern and northwestern Cambodia, located near the Thai border and controlled by non-communist resistance groups.

The two groups, followers of former monarch Prince Norodom Sihanouk and the Khmer People's National Liberation Front (KPNLF), are loosely allied with the Marxist Khmer Rouge in fighting the Phnom Penh government.

Dennis McNamara, a top Bangkok-based U.N. official who led the mission, returned here Thursday with his team after a six-day tour during which they conducted random assessments in villages first in KPNLF-held areas of northwestern Cambodia, then in Sihanoukist-held areas in the north, the officials said.

Mr. McNamara is the deputy to Shah A.M.S. Kibria, special representative of U.N. Secretary-General Javier Perez de Cuellar for coordination of Cambodian humanitarian assistance programmes.

Mr. Kibria and Mr. McNamara are to travel Wednesday to Phnom Penh, the officials said.

SPK Reports Cease-Fire Violations 20-30 May

BK3105061291 Phnom Penh SPK in English 0435 GMT 31 May 91

[Text] Phnom Penh SPK May 31—The Khmer coalition troops carried out more attacks on government positions by firing hundreds of artillery shells or intruding into five provinces for sabotage activities.

From May 20-30, troops of the Son Sann faction transported 24 truckloads of ammunition to Treah, Don Noy and Kap Chao villages, 3- 4 km north and northwest of Svay Chek, Banteay Meanchey Province. About 300 men of the Son Sann faction also gathered at Thmar Puok. Meanwhile, the polpotists sent two truckloads of ammunition into an area 12 km northwest of Phnum Srok.

On May 22, 21 enemy troops infiltrated into Trapeang Reang Village, Toek Phos District and kidnapped 20 villagers. The following day, they launched an offensive against the communal office of Rong Mong, same district, wounding eight people, capturing three others, killing 17 bovines and destroying four dwelling houses.

On May 24, the coalition troops shot dead one passenger on Highway 13 and robbed him of his motorcycle.

In Battambang Province, the enemy troops fired between May 23 and 25 about 45 shells of 130, 82 and 37-mm artillery and recoilless gun on the district town of Ratanamondul, Tuol Village, Treng Commune, and the fourth division headquarter 6 km west of Ampil Pram Daeum. They also pounded Moung and Kea communes with four shells of H.107 rocket launcher.

Thirty men of Pol Pot's Division 36 crossed Highway 5 to Spean Poul, Prey Svay Commune, Moung Russey District. The enemy troops on May 27 transported ammunition across region No 03.42, 18 km north of Phat Sanday, Kompong Thom Province. They also robbed people of their boats.

Further Reports on Violations

BK3105073191 Phnom Penh SPK in French 0404 GMT 31 May 91

[Text] Phnom Penh 31 May (SPK)—The Cambodian tripartite coalition militarily dominated by the Khmer Rouge between [figure missing] and 28 May, attacked various government positions in six provinces, according to military sources who gave the following details:

In cooperation with a Sihanoukist brigade, Pol Pot troops from Division 616 on 22 May carried out sabotage activities in Krabau and Dong Villages in Kompong Thom Province's Prasat Balang District. In the meantime, Pol Pot troops from Division 785 transferred ammunition to a locality south of Baray District.

On 24 May, 20 enemy soldiers regrouped in an area 15 km northwest of Kompong Trach District in Kampot Province and 50 others in a locality 5 km west of Chumkiri District in the same province. Furthermore, it was reported that 150 enemy troops were deployed in an area 10 km from National Route 3 in the same province.

The same day, a group of Son Sann soldiers planted mines around a government military post 7 km northwest of Chhda Village in Banteay Meanchey Province. The following day, two enemy tanks were dispatched to a locality 4 km northwest of Svay Chek, same province. On 25 May, Pol Pot troops fired 16 B-40.5 rockets on Triev Pak Village in Taben Commune.

In Battambang Province, enemy troops daily fired 100 to 250 artillery shells on government posts in Pang Rolim, Treng, and Sdau. On 28 May, coalition troops pounded the Treng area, still in Battambang Province, with 50 130-mm and 85-mm shells.

In the coastal province of Kampot, enemy troops attacked government forces in an area nine km northwest of Kompong Trach district seat.

Two enemy ammunition trucks were dispatched to a locality 20 km west of Baray District, Kompong Chhang Province [as received].

The cease-fire, which went into effect since May 1, was accepted by all warring Cambodian parties. However, forces of the tripartite coalition with the Khmer rouge as the backbone have violated it since the first day by attacking various government positions.

Chea Sim Receives German Parliament Delegation

BK3105075091 Phnom Penh SPK in English 0207 GMT 31 May 91

[Text] Phnom Penh SPK May 30—National Assembly Chairman Chea Sim received here Tuesday [28 May] a delegation of the Commission for Economic Cooperation of the FRG [as received] Bundestag led by Mr Rudolf Bindig, an MP and member of the commission.

Chairman Chea Sim, who is also Politburo member of the People's Revolutionary Party of Kampuchea Central Commpttee, said the visit symbolized the friendly feelings of the German people towards the Cambodian people and the development of relations between the legislative bodies of the two countries.

The Cambodian leader also expressed the State of Cambodia's readiness to enter into talks with Germany on the possibility of building economic cooperation between the two countries.

On the coming Jakarta meeting among the Khmer warring factions, he said the meeting would deal with the election of a president of the Supreme National Council (SNC) and discuss the peace plan drafted by the "big five."

In reply, Mr. Rudolf Bindig said he and his party had better understood the real situation here, especially the economic and cultural fields, adding that he would inform it to the commission.

The delegation left here Wednesday [29 May] ending a five-day visit to Cambodia.

During its stay, the delegation met with Agricultural Minister Nguon Nhel, Vice Premier Kong Sam-ol, Planning Minister Chea Chanto, and Health Minister Yim Chhaili.

It also toured several economic and cultural centres in Phnom Penh and went to Battambang and Siem Reap Provinces.

Hun Sen Meets Education Ministry Staff 18 May

BK2005150091 Phnom Penh SPK in French 0837 GMT 20 May 91

[Text] Phnom Penh 20 May (SPK)—Hun Sen, member of the Kampuchean People's Revolutionary Party Central Committee Political Bureau and chairman of the State of Cambodia's Council of Ministers, on 18 May held cordial talks with intellectuals, cadres, professors, teachers, and students of the Ministry of Education.

Taking the floor on that occasion, Chairman Hun Sen gave a briefing on the international situation related to the Cambodian problem and the military situation since the complete withdrawal of Vietnamese troops.

He pointed out the remarkable progress achieved by the Cambodian People's Armed Forces, which have displayed their ability to assume the task of defending the motherland and the people's lives.

Hun Sen called on the intellectuals to strive to bring the task of priority to success and to pay special attention to the living conditions of the people.

Indonesia

Two East Timorese Defect to Portuguese Embassy

BK2905121991 Jakarta ANTARA in English 1033 GMT 29 May 91

[Text] Jakarta, May 29 (OANA-ANTARA)—The Foreign Ministry here is still studying the "defection" case of two East Timorese soccer players who reportedly have tried to seek for a political asylum at the Portuguese Embassy in Australia.

Director for Asia-Pacific Affairs, Foreign Ministry, Kusnadi Pujiwinarso told newsmen here Wednesday that so far he had not received any clear information about the case.

A report carried by a Jakarta newspaper said that the two were members of a soccer team representing Indonesia in the Arafura sports festival in Darwin, Northern Territory. The players are Julio Goncalves de Rego, 26, and Joao Pedro Ribeiro, 24.

According to the newspaper, the two soccer players have applied for a permanent residence in Portuguese Embassy in the Australian capital and they are now still in the embassy's compound in Canberra.

Pujiwinarso said that he had so far not received any reports on the reasons for their defection. He said he was still in constant contact with the Indonesian Embassy in Canberra.

In this connection, he went on, he would report the issue to Foreign Minister Ali Alatas, who is still in Europe to attend an ASEAN-EC ministerial meeting.

The Arafura sports festival, lasting from may 18 to 25, was attended by five contingents from Australia, New Zealand, Fiji, the Philippines, and Indonesia. The Indonesian contingent consisted of 112 athletes of various sports branches, including soccer, in which the two East Timorese belong.

Pujiwinarso further said that if the political asylum was granted by a country which has diplomatic relations with Indonesia, the country would inform the Indonesian Government, but now it is a sensitive case since Portugal has no diplomatic ties with Indonesia.

Vice Governor on Defection

BK3105042091 Jakarta ANTARA in English 0343 GMT 31 May 91

[Text] Dili, East Timor, May 31 (OANA-ANTARA)—Vice Governor of East Timor A.B. Sarijo deplored the action of two East Timorese athletes asking for political asylum at the Portuguese Embassy in Canberra. Actually, the action in asking for political asylum is not necessary because there will be no problem to those wishing to leave East Timor to live in another country. They may even get assistance from the local government authorities.

Sarijo said this on behalf of the governor when receiving contingent chief to the Arafura sports festival Dominggus Soares here Thursday afternoon.

The action was also deplored by local Legislative Assembly Speaker Guilherme dos Santos when asked to comment on the case by ANTARA here. He said the request for political asylum by the East Timorese soccer players would have no adverse effects on the integration of the East Timor people into the unitary state of the Republic of Indonesia.

Press reports on Thursday said besides the two soccer players, two more had also not returned to Dili from Canberra but it was still unknown whether they had also [word indistinct] political asylum.

Vice Governor Sarijo said the Australian as well as the Portuguese Governments would not get any benefit from the defection. Like their predecessors who are now living miserably, they would later regret what they have done. They have been used by a handful of people who disliked East Timor's integration into the Republic of Indonesia to serve their political aims, he stressed.

Sarijo said the attitude of the members of the Indonesian contingent of not responding to the rough treatment of the Australian East Timorese deserved high praise and is at the same time a credit point for the Indonesian Government. The Indonesian Government, he added, the East Timor administration in particular, have always been treating them well in every friendly match.

Sarijo has asked the contingent chief to make a detailed report on the rough treatment experienced during the Arafura sports festival, May 18-25, for further handling by the central government.

In the meantime, the Ministry of Foreign Afffairs in Jakarta has not explained the government's attitude toward the defection of the East Timorese football players in Australia, as the Foreign Office has not received complete information on the case.

Kusnadi Pujiwinarto, in charge of Asian-Pacific affairs of the Foreign Office, said in Jakarta Thursday that because he has not received complete information on the case, he could not as yet send a complete report to Foreign Minister Ali Alatas who is at present in Belgium.

Alatas is in Luxembourg for the last couple of days to attend a ministerial conference between ASEAN and the European Community.

Fretilin Front Blamed

BK3105102891 Jakarta ANTARA in English 0911 GMT 31 May 91

[Text] Jakarta, May 31 (OANA-ANTARA)—The defection of the two Indonesian athletes from East Timor attending the Arafura Games in Darwin, Australia, recently occured after the Indonesian contingent was officially to return home, Youth and Sports Minister Akbar Tanjung said here on Thursday.

Two other athletes also disappeared in Darwin and failed to return home with the contingent.

The departure of the athletes was late because of flight problems and it was during the time that the defection occurred, he said after receiving the secretary general of the Indonesian National Olympic Committee, Kahpi Suriadireja.

According to the Indonesian National Olympic Committee (KONI) there were no suspicious signs during the closing ceremony, he said.

"Indeed, there were many East Timorese living in Darwin and probably these people have influenced the athletes to defect to Portugal," he said.

The minister said they defected upon their own will and it happened spontaneously without deliberate previous plans.

The National Olympic Committee has advised the athletes against any eventualities and has also asked them to uphold the nation's reputation, he added.

The committee is now still continuing its investigation into the case.

The defecting and disappearing soccer athletes from East Timor, namely Julio Goncalves de Cego, Joao Pedro Ribeiro along with Fransisco Lang and Fransisco da Gama - had been influenced by the Fretilin [Revolutionary Front for an Independent East Timor] group, the team manager, Harry Alomoan Silalahi, said upon arrival in Kupang on May 29.

Silalahi said Fretilin members were seen hanging around the hotel where the Indonesian athletes stayed the night before the incident. He said Joao Pedro Ribeiro left the team on May 27 upon Fretilin persuasion in Darwin, followed a day later by Goncalves do Cego. Seeing such an unpleasant situation, the mayor of East Timor capital of Dili, Dominggus A, held a meeting with team members at 0200 hours in the morning on May 28.

Dominggus told the meeting that "If anyone does not like to live in East Timor please ask politely to the governor", Silalahi said. On May 29 when the Indonesian contingent was ready to return home some Fretilin members in Darwin threatened to take violent action against them and because of the situation, Dominggus came to the Indonesian consul to ask for security protection.

The team was then escorted by the North Australian immigration and police officers to the airport, Silalahi said.

Upon arrival at the airport, around 150 Fretilin members attempted to raid the contingent yelling that the East Timorese people have been forced to stay in indonesia.

Fretilin members have received no support in East Timor so that they took a chance out of the sports event in Darwin to channel their political aspirations to impress people about their existence, Silalahi said.

Laos

Feature on National Defense, Public Security

BK3105100791 Vientiane Vitthayou Hengsat Radio Network in Lao 0430 GMT 28 May 91

[Feature: "Defending Country and Maintaining Public Security Is Everyone's Duty"]

[Text] National defense and maintenance of public security is one of the strategic tasks prescribed by the party for the present time. The task is very important to national development. Public security is indeed indispensable for the promotion of a popular democratic system and national development. Everyone must clearly understand that the task of defending the country and maintaining public security is everyone's duty and we must do our best to contribute to the task. We firmly adhere to the guidance of the party that the entire masses defend the country and the entire mass [words indistinct].

Because we are not fully aware of the significance of this task, we tend to give insufficient cooperation to the sectors concerned. Many still believe that the task of national defense and maintenance of public security is the duty of soldiers and police [words indistinct]. Moreover, we have failed to effectively encourage our children to join the national defense forces and contribute to the maintenance of public security. We do not realize that this is the honorable right and duty of Lao citizens. We must not forget that hundreds and thousands of our cadres, combatants, and people have sacrificed their lives for national liberation and that our ancestors fought in numerous battlefields for the well-being of our multiethnic compatriots, independence, and prosperity [words indistinct]. Since our country is now completely liberated and is marching on the brilliant path, it is necessary for our people, regardless of their strata, sexes, and ages, to unite closely and jointly defend our beloved Land of Million Elephants forever.

Despite the fact that we have been able to fundamentally maintain public security nationwide, the hostile forces have not yet discarded their schemes to sabotage our revolution and obstruct our national development. Therefore, we must heighten our sense of self-vigilance and jointly study and actually implement the party's policy of national defense and maintenance of public security in the present time. In particular, our youths must be aware of their honorable obligation toward the nation and volunteer to serve in the Armed Forces to defend the country. Once they are inside the Armed Forces, they must attentively undergo training courses to upgrade their revolutionary spirit, political consciousness, and ideology so they will become excellent combatants who are willing to make every sacrifice for the interest of the nation and people, stricly follow army discipline, and avoid violating the discipline of the army, possess a sense of self-esteem, and cooperate with the self-defense guerrilla-militia units in defending their respective localities and maintaining public security. The administrations in all localities, united fronts, senior citizens, various organizations, and parents must actively encourage youths and their children to fulfill their obligation toward the nation and support, both materially and morally, soldiers, policemen, and members of self-defense guerrilla-militia units. Also, they must act as eyes and ears for the authorities, gather information on the movements of the bad elements and quickly report it to the sectors concerned, and jointly eliminate negative phenomena to instill normalcy in their localities. They must also study and follow the guideline on national defense and maintenance of public security, heighten the spirit of patriotism and love for the new regime, and have confidence in the leadership, objectives, and ideological principles of the party. These are honorable obligations of the Lao citizens toward the nation. Thanks to the past achievements, we are now able to live in peace and continue our efforts to futher strengthen and develop our country.

Philippines

Japan Grants $225 Million Loan

HK3105055391 Manila PHILIPPINES NEWSDAY in English 31 May 91 p 8

[By Rexie M. Reyes and Bienvenido M. Perez]

[Text] The Philippines and Japan will sign today the final agreement for the $225-million Overseas Economic Cooperation Fund [OECF] portion of the $358-million ASEAN (Association of Southeast Asian Nations)-Japan Development Fund [AJDF] Development Bank of the Philippines [DBP] chairman Roberto de Ocampo announced yesterday.

The OECF portion of the AJDF loan will be used for DBP's wholesale banking operations for small- and medium-scale industries (SMIs), De Ocampo said.

The amount is expected to be disbursed a week after the signing of the final accord.

Japanese Ambassador Toshio Goto will sign on behalf of his government while a still undisclosed key state representative will sign the agreement in lieu of Foreign Affairs Secretary Raul Manglapus, who is on official business overseas.

The loan agreement comprising the first tranche of the AJDF loan, amounting to $83 million, was signed late March and the loan released last month. This financing component was also released to the DBP to support its on-lending program for large private sector firms.

A final tranche of $50 million, will be given to the Land Bank of the Philippines later this year to support its vast lending program for various farmers' cooperatives nationwide.

This loan program, totaling $2 billion, was committed by the Japanese government in 1987 as part of resolutions made after the ASEAN meeting in Manila. It is a co-financing venture between the OECF and the Export-Import Bank of Japan.

the DBP is also negotiating for a $100-million loan with the Asian Development Bank [ADB] for relending to SMIs.

The ADB loan will be similar to the industrial investment credit program from the World Bank except that the former will be geared for SMIs. Once the ADB loan is finalized, the total package will sum up to $325 million which will come in the second half of the year, De Ocampo said.

The DBP will also meet with World Bank officials for the export financing loan program.

The DBP, according to De Ocampo, is working at providing long-term capital for both large and SMIs.

In the long term, the DBP would like to engage in equity financing similar to the operations of the International Finance Corporation, a World Bank affiliate, De Ocampo said. The activities involve mainly the infusion of minority capital in a company to influence management in achieving more professionalism and selling the minority ownership later when the company has been rehabilitated.

The DBP also wants to "become a leader in the long-term capital market," De Ocampo stated.

Reportage Continues on U.S. Bases Treaty

Sovereignty, Bases Scrutinized

HK3105060191 Manila PHILIPPINES NEWSDAY in English 31 May 91 p 10

[From the "Turn of Events" Column by Francisco S. Tatad]

[Text] Very few words—or political values—have gained greater currency in our recent dealings with the United States than "sovereignty."

Neither as word nor as value is it new. Professor Morgenthau (Politics Among Nations) tells us that the modern conception of sovereignty came in the latter part of the 16th century with the emergence of the territorial state—a centralized power exercising lawmaking and law-enforcing authority within a certain territory.

By the end of the Thirty Years' War, this concept of sovereignty was already a political fact. The authority of the territorial princes prevailed over the universal authority of emperor and pope and the particularistic aspirations of the feudal barons.

In our day, sovereignty has come to mean that the nation is the supreme authority—that being independent, there is no authority above it. No other state many perform any governmental acts on its territory without its consent.

But some would like to go farther. In the course of the ongoing year-long negotiations on a new military bases treaty, we have heard one side say that unless we shut down the bases and send home the U.S. forces by September 16 this year, we shall never be able to demonstrate our sovereignty.

No one has bothered to point out that the decision to keep or kick out the bases is a function of policy—foreign as well as national security policy—rather than of sovereignty; that Japan, Germany, Spain, the UK, among others, have managed to keep their bases without losing their sovereignty.

Sovereignty is more easily demonstrated in many other ways. For instance:

1) By suppressing armed mutinies and coup attempts against the government, without asking U.S. Phantom jets to provide air cover to the government forces under attack.

2) By enforcing the country's own laws on its own citizens instead of asking the U.S. to keep them in custody, charge them and try them in its own courts for crimes allegedly committed in the Philippines.

3) By making sure the country's territorial waters are not habitually breached by the naval craft of a stronger neighbor or the fishing fleet of other nationalities which the local Navy does not have the means to deal with.

4) By making sure that no Chinese nationals are habitually smuggled into the country and then routinely legalized by bribing powerful crooks at the CID [Commission on Immigration and Deportation].

If we know what sovereignty is, we should also endeavor to know what it is not. Again, Morgenthau reminds us that sovereignty is not freedom from legal restraint. It is not freedom from regulation by international law of those matters that are traditionally left to the discretion of individual states. It is not equality of rights and obligations under international law. It is not even actual independence in political, military economic or technological matters.

A state may impose legal restraints upon itself and accept any quantity of international responsibilities, provided they do not affect its quality as the supreme lawgiving and law-enforcing authority. Postwar treaties imposed by the victors frequently carry serious restrictions on the vanquished, but not even these can deprive the defeated nation of its sovereignty. Neither does one country's actual dependence upon another destroy its sovereignty.

A new bases treaty does not deprive us of our sovereignty, provided we insist on uniformly enforcing our laws on all offenders, regardless of nationality. It is only when we allow the U.S. to spirit away servicemen after they have violated our laws or when we allow U.S. law to take precedence over our own in our own country that we lose our sovereignty.

At the beginning of the bases talks, a strong "sense of sovereignty" impelled our negotiators to resist the sheer idea of extending the U.S. military presence beyond September 1991. After the initial resistance crumbled, the same sense moved them to propose certain terms that would compensate for the anticipated "loss of sovereignty." The results have not been as good, but a trade-off seems imminent.

This notwithstanding, we must now try to assess whether the nation has been well served by the way the government has handled the issue. My view is that it has been grossly mishandled and that this has cost us much more than what we could ever hope to gain from the U.S. even if the U.S. granted every single one of our demands.

The biggest injury is that the issue has been made to appear infinitely bigger than it actually is. It has not only distorted but above all displaced our priorities. Both sides of the question have succeeded in leading us to believe that the bases debate is more important than anything else—more important than our economic or social agenda.

One side says: Get rid of the bases and we will catch up with our neighbors in no time at all. The other side says: Keep the bases and we will have perpetual sunshine and honey. No one has been good enough to point out that we need an economic program to bring about economic recovery, a social program to transform the feudal structures of the society.

Mrs. Aquino was eminently qualified to make that point. She could have told us we needed to get the bases issue behind us as quickly as possible so we could attend to our economic and social agenda. She had the unprecedented opportunity. The majority would have supported her whether she said we are going to throw out the bases or we are going to keep them. The nation would have been one in setting aside the issue in order to attend to its more important agenda.

But instead of stating her position courageously and clearly, she demurred. She did not want to risk anything. She wanted to remain popular with everyone. So while the two sides debated, she kept her options open and sat on the fence. She did not want to lead. Rather, like the foolish monarch, she wanted to see where her people were going so she could lead them.

Now the moment of truth has arrived. The people have not made it easy by telling her where they want to go and where she should lead them. But the U.S. has decided to call in the chips. And she is left to fend for a new treaty, without the support of the administration-controlled Senate. Because she refused to act from a position of strength, she must now act from a position of weakness.

Whether or not we end up with a treaty, the nation's energy has been sapped: we end up exhausted, divided, diminished.

Editorial on Senate Ratification

HK3105040691 Manila PHILIPPINE DAILY INQUIRER in English 31 May 91 p 4

[Editorial: "Political Favors Won't Win Senate Nod on Treaty"]

[Text] President Aquino's campaign among the senators to ensure ratification of the bases agreement that is said to be nearing completion may have reached a snag, if the statements of anti-bases senators are any gauge.

Apparently unwilling to have themselves portrayed as having abandoned their principles in the face of Ms. Aquino's presuasive powers, the lawmakers maintain that while they may have listened politely to the President's briefing on the progress of the treaty negotiations, she had no basis for declaring that she was "confident" the Senate would ratify an RP [Republic of the Philippines]-U.S. bases pact.

They did not see any pro-bases consensus forming among the 11 lawmakers who attended the Tuesday briefing, they noted. In fact, they said, the anti-bases bloc still has enough votes to block any treaty.

To be sure, few senators have openly declared where they stand on the bases question. Of the 23 members of the "smaller" chamber, only five—Senators Butz Aquino, Rene Saguisag, Wigberto Tanada, Joseph Estrada and Juan Ponce Enrile—have firmly said they are for rejecting the proposed treaty. Two-thirds of the Senate, or 16 votes, are required to ratify a treaty.

But while majority of the senators may be, for all we know, pro-bases or are at least keeping an open mind about any agreement that may emerge from the protracted talks, they are understandably reluctant to have their votes interpreted as mere kowtowing to the President or worse, as a sell-out of the national interest.

As Sen. Vicente Paterno, who was present at the President's briefing, put it: "I don't think we should vote on the basis of whether or not we are for Cory ... I think we should vote on the basis of whether or not it is for the national interest."

It is the Chief Executive's job, then to convince the senators that the provisions of the proposed treaty, if both sides in the negotiations ever do come to an agreement, will in the end redound to the interest and welfare of the Filipino people. Just as perhaps the anti-bases bloc has its work cut out—to convince their colleagues that any treaty extending the stay of U.S. military facilities here could not possibly benefit the country.

The President must not expect or rely on past political favors to turn the tide of voting in favor of a bases treaty. If the senators did vote on that basis, then they would certainly stand accused of selling out their consciences.

More than persuasive arguments or arm-twisting, the Chief Executive must realize that the strongest argument for ratifying the treaty is the treaty itself. In our view, only a treaty which upholds the nation's dignity, protects its sovereignty, is faithful to the Constitution, while cognizant of current economic and political realities will pass muster in the Senate.

Which is why the President must not now be rushed into closing a bases agreement no matter what.

Security Adviser on Flexibility

HK3105040091 Manila THE CHRONICLE in English 31 May 91 p 7

[By Lito Zulueta and Bert Castro]

[Text] The Government may allow the U.S. military facilities to stay for eight more years, instead of the maximum seven often mentioned as the official position.

According to National Security Director Rafael Ileto, who conferred with Executive Secretary Oscar Orbos on the bases, the government would be "slightly flexible" on the issue of duration.

"What's one year in our lifetime?" he asked.

President Aquino earlier put her foot down on the issue, saying she would allow the facilities to stay for a maximum of seven years.

The Philippine position expects the facilities to be totally phased out by June 12, 1998, the 100th anniversary of the declration of Philippine Independence.

But Ileto said the "security importance" of bases may last for more than seven years.

He said the bases can go "at the turn of the century."

Ileto said he was asked about the security implications of prolonging the bases' stay beyond seven years by Orbos, the chairman of the President's Committee on the Bases.

The national security adviser said he agreed with Orbos' apparent position that the Philippines' stand on the duration of the bases stay could be relaxed.

"Maybe I agree with that, but whether they will submit that as their position or not is not my concern," he said.

Ileto added that "security-wise," it does not matter if the Philippines agreed to prolong the bases' stay for eight more years.

Ileto also explained that since the U.S. had shown flexibility on the Philippine demand for $825-million annual compensation for the bases, the government should exhibit the same flexibility on the issue of duration.

"If you become too rigid, your body becomes brittle," he said.

Meanwhile, anti-bases senators would use constitutional conditions as their last ace to stall or bar the ratification of any treaty that would extend the U.S. bases lease in the country, Sen. Agapito "Butz" Aquino said yesterday.

Senator Aquino in a talk with the newly-elected officers of the National Press Club (NPC), said the "hardest" anti-bases lawmakers in the Senate have "an ace up their sleeves" in their last-ditched effort to kill the treaty.

He declined to elaborate but hinted it refers to a "vague" constitutional provision requiring ratification of the treaty by the concurrence of the two-thirds of the Senate and recognition by the U.S. government.

In some countries, recognition does not always refer to ratification by the party's Senate or lawmaking body but by mere declaration by a competent authority like the head of state or the president.

Aquino hinted that the "hardest" anti-bases senators may impose a condition that the new treaty be ratified by the U.S. Senate as a manifestation of reciprocity.

Aquino lamented that the hardliners in the Senate are thinning down and the task of mustering enough vote to stall the ratification of the bass treaty is very difficult.

Earlier, Foreign Affairs Secretary Raul S. Manglapus admitted to the press that the U.S. panel led by Special Negotiator Richard Armitage promised to abide by the conditionalities.

In a separate interview, U.S. Ambassador Nicholas Platt confirmed what Manglapus and Armitage had announced: that the Philippine Constitution will be respected by the bases negotiators.

Aquino categorized the anti-bases hardliners into three: the hard, the harder, and the hardest. He placed himself in the "hardest" class, together with Sen. Sotero Laurel.

But he was confident that despite the "mellowing" of a few of his colleagues, there will still be those who can be counted to vote against the treaty.

Guarantee in Compensation Agreement

HK3105010391 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 30 May 91

[Text] Alfredo Bengzon, the Philippine bases panel vice chairman, said today that the appropriation of compensation for the continued stay of the U.S. military bases in the country by the U.S. Congress will not be a guarantee even if the Philippines and the United States agree on the compensation package.

According to Bengzon, the agreement on compensation and the appropriation of funds for the agreed compensation are two separate issues because the U.S. Congress sets their budget every year.

Rental Payment To Buy Ships, Planes

HK3105055891 Manila Far East Broadcasting Company in Tagalog 0100 GMT 31 May 91

[Text] The Philippine military has declared that a portion of the rental to be paid by the United States for their military bases here will be utilized to buy modern weapons. The military says it will purchase warships and fighter aircraft from Europe and the U.S. They say such a move involving the bases compensation is vital as changes to be made in the operations of the Philippine Navy and Air Force depend on this.

Air Force Unit To Move to Clark Air Base

HK3105034091 Manila THE CHRONICLE in English 31 May 91 p 7

[By Manny Mogato]

[Text] American military authorities have allowed some portions of the vast Clark Air Base in Pampanga as a base for a tactical air wing which is preparing to transfer its headquarters there next month, senior armed forces officials said yesterday.

Some technical and support units in Villarnor Air Base would also move in to Clark Air Base before September this year in a unique joint military use arrangement agreed upon by Filipino and American defense and military officials last year.

Lieutenant General Lisandro Abadia, the AFP [Armed Forces of the Philippines] chief of staff, confirmed yesterday the transfer of the air force 15th Strike Wing from Sangley Air Base in Cavite to Clark Air Base by next month.

Although there was no fixed date for the actual transfer of the tactical wing, Filipino and American defense and military leaders have started preparing the ground work for the eventual turnover of the 330-hectare area in the U.S. air force base permanently assigned for "Cope Thunder" joint operations.

"The headquarters and the staff offices might move in first before the other units of the strike wing," Commodore Armando Madamba, the AFP deputy chief of staff for plans (J-5), told the Foreign Correspondents Association of the Philippines (Focap) at the Manila hotel yesterday.

He said other technical, administrative, and support offices at Villamor Air Base, the headquarters of the Air Force, might eventually move in to Clark.

Under the proposed Legislative-Executive Bases Council (LEBC) conversion plan, the headquarters of the air force in Villamor would be transferred to Camp Aguinaldo and Clark Air Base in a seven-year two-phase period after the end of the RP [Republic of the Philippines]-U.S. MBA [Military Bases Agreement] in September this year.

Specially, the First Air Division, which has overall jurisdiction over all air force units in Luzon would be moved to Clark. Its structures and facilities would be occupied by the 220th Airlift Wing which would remain in Manila along with the 250th Presidential Airlift Wing, the only two operating and tactical units allowed to remain in the capital.

The 580th Aircraft Control and Warning Wing will also move to Clark Air Base while the 205th Helicopter Wing is moving to Mactain Air Base. The other units transferring to Clark Air Base on the second phase of the seven-year transition period are the headquarters of the administrative services; the PAF Security Command (PAFSECOM) which guards all airports and airstrips in the country; the 520th Air Base Wing, the housekeeping unit of Villamor Air Base; the air force general hospital; the 1301st dentail dispensary; the 355th aviation engineering unit; the 419th transport support group; the air intelligence, finance, computer, and civil relations offices; and the 720th special mission group.

Camp Aguinaldo explained that the transfer of the 15th Strike Wing was programmed based on the joint military use agreement between Defense Secretary Fidel Ramos and his U.S. counterpart Richard Cheney during the latter's visit in Manila last year.

Camp Aguinaldo said the agreement would give Filipino troops hands-on training on how to operate and maintain the vast U.S. facility and prepare them for the eventual turnover of the facilities to the government.

Based on the LEBC conversion plan, the government intends to covert Sangley air station into an international container port to be operated by the private sector. On the other hand, Villarnor Air Base would used to expand the airport facilities as well as develop its real estate potential, including the golf course.

Law To Loosen Restrictions Against Investors

HK3105033491 Manila Far East Broadcasting Company in Tagalog 0100 GMT 31 May 91

[Text] Restrictions against the entry of foreign investors will be loosened. This will apply after the passage of a law under the Foreign Investment Act of 1991. Under this new law, the government will remove regulations hindering the entry of businesses into the country by foreign investors. The law aims to widely attract businessmen wishing to invest in the country.

The law was opposed before it was passed. Some sectors opposing the Foreign Investment Act claim it would reduce opportunities for local businessmen and small-scale industries in the Philippines.

Aquino Cautions on Planned Nationwide Strike

HK3105041491 Manila PHILIPPINE DAILY INQUIRER in English 31 May 91 pp 1, 10

[By Nimfa U. Rueda]

[Text] President Aquino yesterday cautioned labor against making moves that may disrupt industrial peace and hamper efforts to improve business productivity.

"As it is the employers' responsibility to give the workers their due, so is it labor's duty to give its best efforts that business may flourish," Ms. Aquino said in a speech delivered for her by Executive Secretary Oscar Orbos during the 12th National Employers' Conference at the Hotel Nikko in Makati.

Ms. Aquino made the call as labor groups threatened to stage a Welgang Bayan [National Strike] next week to push for a reduction in fuel prices.

Labor leaders claimed the Oil Price Stabilization Fund (OPSF) deficit was wiped out as early as last March and this has made possible a rollback in fuel prices.

The moderate Trade Union Congress of the Philippines had petitioned the government for a P3 [peso] cut in oil prices while the militant Kilusang Mayo Uno [May 1st Movement] sought a P5 cut.

Ms. Aquino said the government still has to study the petition for a rollback in fuel prices. She also denied that the OPSF deficit had already been wiped out.

"The matter of a fuel price reduction is being studied as we maintain our position that we have to wipe out the OPSF deficit first," Ms. Aquino said in the statement.

The last major nationwide strike was staged by transport workers under the Kilusang Mayo Uno early last December to protest the increase in the prices of petroleum products as the world waited for the Gulf War to erupt.

The government almost doubled the prices of petroleum products last December 5 because of the rise in the price of crude oil in the world market following Iraq's invasion of Kuwait.

But the world prices of crude nosedived after a coalition led by the United States liberated Kuwait. However, the government refused to roll back or reduce local oil prices so it could cover a huge deficit in the OPSF.

Yesterday, three moderate labor groups joined forces with the private sector in seeking the reduction in the import levy from nine to five percent.

The Federation of Filipino Workers, the Lakas Manggagawa Labor Center and the TUCP [Trade Union Congress of the Philippines] sought the reduction after forging an alliance with the private sector led by businessman Raul Concepcion.

They also sought the reduction of the prices of petroleum products, except premium and regular gasoline.

In a press release, Concepcion said the labor groups acknowledge that no reduction in fuel prices and import levy can take place unless the government reduces its P25 billion budget deficit.

Concepcion also said that the labor groups recognize the need for Congress to enact laws that would enable the government to cover its budget deficit.

In her speech, the President said workers should help provide conditions necessary to improve productivity.

"What the nation needs is the collective productivity of business so that wealth may be created, employment generated and most important of all, poverty alleviated," she said.

Ms. Aquino, at the same time, urged employers to give workers their "rightful share of the benefits of production" through gain-sharing and other productivity incentives programs.

"You and I am [as published] aware that for society's productive forces to be released, the climate must be conducive to a system of initiatives and rewards," she said.

For its part, the government will continue to promote the resolution of labor conflicts through preventive mediation and voluntary arbitration, an approach which has helped maintain industrial peace in the past five years, Ms. Aquino said.

"The State promotes the attainment of the highest possible level of productivity and a climate of productivity peace to hasten our economic growth," the President said.

The President urged provincial governments to support this effort and follow the example of Cavite, which recently signed a Commitment to Industrial Peace and Productivity.

Ms. Aquino also assured businessmen that the government will "make it easy for business to do business" by continuing to cut red tape in the bureaucracy and providing incentives to small and medium entrepreneurs.

She urged workers and employers to continue to jointly draw up programs to ensure "just rewards of labor" and "profitability of the business."

"Sustained productivity in the long term holds the promise of equitable distribution of wealth and the attainment of that elusive ideal of industrial peace."

Self-Reliance Stressed for Modernization Plan

HK3105040891 Manila PHILIPPINES NEWSDAY in English 31 May 91 p 5

[By Dario B. Agnote]

[Text] Lieutenant General Lisandro C. Abadia, the Armed Forces chief of staff, yesterday bared plans of the military to work on a modernization program that would not depend heavily on the United States.

Abadia stressed that the Philippine military must not be tied down to buying U.S. equipment and other war material solely from the U.S. Government, adding that other countries must also be sourced out for the other miltiary equipment that the AFP [Armed Forces of the Philippines] needs for its modernization plan.

During a luncheon meeting sponsored by the Foreign Correspondents Association of the Philippines (Focap), Abadia also pointed out the need to get in cash the bulk of the military component of the new bases compensation to give the AFP the option to buy military equipment from sources other than the U.S.

"We must not be tied down to find U.S. equipment," said Abadia. "There are times when this equipment is not available in the U.S. inventory. We must be allowed to source it from countries other than the U.S."

Abadia noted that there are kinds of defense equipment which the U.S. inventory does not have.

"The U.S. inventory does not have fast-attack crafts or missile gunboats. What it has are brigades. We could not afford a brigade which costs $300 million each and between $5 to $10 million a year to maintain it," he said.

Commodore Armando Madamba, the AFP deputy chief of staff for plans (J-5), echoed Abadia's sentiment. "We are also looking at some component in the bases compensation package. We hope a portion of that will be in cash so that we could look at other sources, not only at the U.S. as a main source of military equipment."

Madamba said that the military is looking at certain assets that are not in the first place available from the U.S. inventory.

"We would like to be imaginative in developing a credible armed forces, preferably with local components. So, we would like to develop a defense industry that probably by the year 2000 we could sit with the Malaysians, Indonesians and Singaporeans," he stressed.

The AFP has presented to Congress a P140-million [peso] modernization program spread out over ten years until the year 2000 with focus on improving firepower, communications, mobility and the naval and air defense systems.

"We were diverted from this kind of an outlook in the last 10 years or so because we're so involved with domestic problems, particularly the insurgency situation," added Madamba. "But we hope to move towards what we call the external defense mode as we achieve gains in our counter-insurgency operations."

Abadia said the military will work on the modernization of the Navy and the Air Force within this decade to be "at par" with the other Assocaition of Southeast Asian Nations (ASEAN) "even if only symbolically." "We are not aspiring to even equal their capability," said Abadia. "We just want to have that capability no matter how modest."

Abadia said that the military does not rely too much on the bases compensation for the AFP's modernization program this decade. "We should have political will, and I have communicated this to our Congress, that they must appropriate some for the modernization of our Armed Forces if only to demonstrate the political will of this government to have a credible deterrent."

For the Philippine Navy, Abadia said he wants it to graduate into the missile technology. "We want destroyers and brigades because it is so expensive to maintain these ships. [as published] What we want are missile gunboats," he said, adding that the Navy plans to buy these gunboats from countries like Australia, Germany, Italy and Sweden.

For the Air Force, Abadia said he wants an improvement of its defense capability, meaning radars and fighter interceptors. "The dream of the PAF [Philippine Air Force] is to go into the world of the F-16s."

"We are trying to put together a modest modernization program that is achievable in the next 10 years," Abadia said. "This includes all the services plus some other capabilities that need to be developed, particularly communications and firepower capability."

Abadia Talks on Counterinsurgency Campaign

HK3105002391 Manila PHILIPPINE DAILY INQUIRER in English 30 May 91 p 8

[Excerpts] Three days after Lt. Gen. Lisandro C. Abadia, Armed Forces chief of staff, appeared before the Commission on Appointments, he recalled more intense—and interesting—days in his past.

An orphan who never knew tht his mother died when he was five months old, Abadia recalled that he cried for days when he learned the woman he called Mother was his aunt.

He recalled "intense suffering" as a plebe at the Philippine Military Academy, at the hands of his older brother, Maj. Gen. Loven Abadia, now the Air Force chief. ("I had to because the other cadets would have tortured him if they knew I was babying my own brother," the older Abadia says now.)

But it was in Jolo during the Mindanao separatist war in 1974 that Abadia saw what every soldier ought to see, and came out alive.

"Maybe, I'm really preserved to be the AFP [Armed Forces of the Philippines] chief of staff," he says.

The most recent controversy involving him, however, centers on his appointment as AFP chief of staff. The appointment has caused the resignation of the AFP deputy chief of staff, Maj. Gen. Alexander Aguirre, who said the process was tainted with partisan politics. The Commission on Appointments has yet to confirm abadia's appointment.

For nearly four hours, Abadia talked to the INQUIRER's defense reporter Fe B. Zamora and Sunday Inquirer's staffwriter Ceres Doyo at his office in the ISAFP [Intelligence Service of the Armed Forces of the Philippines] compound in Camp Aguinaldo. (The Abadia brothers will be on the cover of the Sunday Inquirer, June 2 issue.)

A colorful conversationalist, Abadia demonstrated to his amused audience the travails of a soldier under heavy fire.

He crouched on the floor as he sought cover from imaginary MNLF [Moro National Liberation Front] fire. He extended his right arm as he returned fire. For sound effects, he used the words "Bong! Bong! Brauuaaau-...Vrooommmww...Ping! Prrrkkkktt!" and the like.

Excerpts from the inteview:

Q—You Have seen so much of war. What do you think about war?

A—It's just another job. It's just like cooking...people died beside me. Kung Mamatay, anong magagawa natin? [If they die, what can we do?] It's part of the job. We don't like war, but you know, we are trained to accomplish a mission. We are told in the Army that a given objective must be seized, no matter what. And you know when you go to combat, you know that people will die, will get wounded. But that is part of the job. We can be emotional in the first encounters, but we lived through it. Minsan luluha ka rin. [Sometimes you also cry.] [Passage omitted].

Q—On Lambat Bitag [new Trap]. Some sectors say it was really Victor Corpuz who conceived the gradual constriction strategy.

A—We were collaborators. You see, nobody believed in Corpuz. When I came in as J3 (AFP deputy chief of staff for operations), Gen. (Renato) de Villa said, I want a campaign plan in two weeks. Sabi ko [I said] I'm sorry. I cannot give you a campaign plan in two weeks, but I can give you a concept paper in one week. A one-page concept paper.

Corpuz at that time believed in this gradual constriction that nobody believed in. He was going around talking about it. Nobody believed him. I saw something in it. But how to rationalize this, I mean there was no CAFGU (Citizens Armed Force Geographical Unit) yet. CAFGU was in that corner. Gradual constriction and Corpuz were here in one corner. The SOT (Special Operations Team) was in that corner. I called Corpuz. So Lambat Bitag is essentially the rationalization of three diverse approches, the CAFGU program, the gradual construction strategy of Corpuz and the SOT.

Of course, I think that Corpuz' idea of war of rapid conclusion—which I believed in also independent of Corpuz—because if we have to win this war it must be a rapid thing. It's not because we talk of people's protracted war, then matagalan na rin [prolonged as well].

they can protract and protract for all I care. They said they will win in 10 years. Ilang 10 years na ang sinabi nila? [How many ten years did they say already?]

Basically, insurgency is an intellectual war. The war is fought in the minds, not with the trigger finger. To defeat them, we do two things. One, destroy the armed group because this is the intimidating factor. Your must remove the intimidating factor because communism is basically intimidation. After that, you have to dismantle the political structure because if you can kill one NPA [New People's Army] in an area where there is a shadow government, the structure will replace the killed NPA. So paikot-ikot na lang [So it just goes on a cycle].

Q—How are you going to do that?

A—That's why you have the SOT. Now if you have destroyed the armed group and dismantled the political structure, you must continue holding that area. In other words, do not leave. You must maintain your military and political dominance in that area. What do you use as holding force? That's where the CAFGU comes in.

Q—Eh. kung abusado? [What if they are abusive?]

A—Kung abusado..[If abusie...] but we are talking of the concept. If the implementation of the concept is OK, then it will be OK. If the implementation of the CAFGU is wrong, then it is not OK. You will just be creating more aberrations in the system. But essentially the concept is OK.

Compared to the military, per our statistics, the CAFGUs are more behaved than the military. There are more abuses of the regulars than of the CAFGU. (It's because) they are from the place and because they are basically simpleng tao [simple people]. They just want to protect the barangay. So you have the CAFGU. Now we come to the gradual constriction strategy of Victor Corpuz which nobody believed (in) except me. Now everybody believed in it, including even the enemy.

Q—These are the armed guerillas. What about the unarmed civilians who get caught in the crossfire?

A—May crossfire talaga [There is really a crossfire]. I mean in any war, tatamaan talaga ang civilian [Civilians will really be hit]. It's really a factor. When the NPAs ambush a jeep, hindi naman pinipili [they don't choose]. Because when they kill, or they massacre, or they liquidate, walang human rights [there are no human rights]. According to them, okey lang [it's okay]. But when we do something, it's a human right violation. But we understand that this is part of their propaganda. Pero tinamaan sila doon sa killing fields [But they were hit in the killing fields). Until now, they have not recovered from the shock of the killing fields when the Armed Forces went into a psy ops offensive.

Q—But has the AFP come up with certains guidelines on how to handle the problem of evacuation during military operations?

A—That is one thing that we have learned from (OPLAN) thunderbolt in the CHICKS (Negros island) area, that even before any massive operation, there must be some initial preparation to take care of the civilians who will be displaced or disclosed. (CHICKS stands for Candoni, Ilimamaylan, Ilog, Cauayan, Kabankalan and Sipalay towns in Negros occidental. - Ed.) Every commander now must understand that this cannot be taken outside of military planning.

Q—The AFP has said it can beat the 1992 deadline to crush the NPA.

A—No, not crushed. The right term is strategically defeated by 1992—that they will no longer be a political problem in the sense that the police can handle them. Ang figures ko d'yan, mga 8,000 NPAs. If we can reduce them to something like 8,000 to 10,000, medyo boundary na tayo diyan. We are also talking of dismantling the political structure but our gauge is 8,000, so we will set them back to what year, maybe 1978, '79, '80.

Q—Where are we now?

A—Mga 17,000. But now they are hitting the Philippine National Police [PNP]. Most of the casualties now are from the PNP. Kung Kami lang, very good ang picture namin [If it's just us, we have a very good picture]. I think the NPAs don't want to meet head-on the Army.

Q—Can you give us an update on the plans to modernize the AFP?

A—We have already started in the Air Force with the S-211 jets. The helicopter gunships. I am looking into the replacement of the Tora-tora and the F5 jets. We have talked to the Americans and other people we must look to for replacement.

Q—What are the possible replacements?

A—A-10s or OV-10. These were used during the Gulf war. We must have an aircraft that can carry bombs, like the Tora-tora, and can have what you call tactical air support. Which means you have the Army down below and the Army can talk to the aircraft, in case of emergency, for air support. The F5 is basically an interceptor against another aircraft.

We might have a hard time getting the A-10 because these have proved to be very effective during the Gulf war. The U.S. had planned to phase out the A-10 until these proved very effective against the tanks of Sadam Hussein. So we may not be able to get them.

The SIMBA [expansion unknown] project will push through. Kaunang haggling na lang [with just a little more haggling]. We are buying fast attack craft, patrol craft fast and we will replace the World War II-vintage LST with LFV. We are getting five. Maybe it will arrive late this year or early next year.

Q—How are you going to unite the AFP?

A—I am going to reach out to all. And this is true. Baka akala 'nyo daldal ko lang ito [You might think these are all just talks]. You watch. I am going to see them without security. Bahala sila [It's up to them] (media and critics) to think what they want to think.

Q—Gringo has already sent his surrender feelers.

A—No. Hindi naman [No, not] surrender feelers.

Q—Gringo wants to reach out also?

A—Naunakan ko na siya [I got ahead of him]. In fact, I'm going to give safe conduct passes to two detainees. (To his aide) Nandiyan na ba sila [Are they there already]?

Factions Divide, Delay Abadia's Confirmation

HK3105005291 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 30 May 91

[By Fernan Imberga of DZRH Unit No. 22]

[Text] The existing two factions dividing the ranks of the Philippine Army are causing the delay in the confirmation of Lieutenant General Lisandro Abadia's appointment as new Armed Forces chief of staff.

This was revealed by an army official who refused to be identified during our interview. At present, he said, the Philippine Army is divided into two factions; the faction following General Abadia and the group supporting AFP [Armed Forces of the Philippines] vice chief of staff Major General Guillermo Flores.

We gathered that this division within the Philippine Army began when General Abadia was appointed as Armed Forces chief of staff. The official also said that these two factions are also delaying the confirmation of Abadia's appointment. Abadia was the former commanding general of the Philippine Army when he was appointed as AFP chief replacing Lt. Gen. Rodolfo Biazon, and said to have stepped over Major Gen. Guillermo Flores who also belongs to the Philippine Army.

Military Reveals New NPA Recruitment Plans

HK3105035691 Manila THE CHRONICLE in English 31 May 91 p 7

[Text] Communist guerrillas are planning to change the names of their legal front organizations or to acquire new ones in a bid to heighten their recruitment efforts in the key cities, a senior military intelligence official said.

Brigadier General Alfredo Filler, the armed forces deputy chief of staff for intelligence (J-2), cited the efforts of the militant labor group, the Kilusang Mayo Uno (KMU), to infiltrate other labor groups to step up their recruitment activities.

He also accused the League of Filipino Students (LFS) of infiltrating the ranks of the National Union of Students in the Philippines (NUSP).

"The KMU might one day change its name," Filler told the Foreign Corespondents Association of the Philippines (Focap), explaining that the communist front membership has been declining and having problems recruiting members because of their close affinity with the communist New People's Army (NPA) rebels and the outlawed Communist Party of the Philippines (CPP).

These militant organizations have been tagged as communist fronts after exiled communist leader Jose Ma Sison revealed their affiliation with the underground movement during a television interview in Belgium their [as published] years ago.

"This is an effort to hide under new organizations and leave out those which have been burned out," filler said citing captured communist documents.

The military, however, ruled out any crackdown on these groups despite reports of massive infiltration and recruitment by the communist rebels.

AFP [Armed Forces of the Philippines] Chief of staff Lt. Gen. Lisando Abadia said it is enough for the military to know what organizations are being used by the guerrillas. He said the military will not touch these groups as long as they work legally.

Abadia also said the military is slowly transferring its job of fighting the guerrillas to the national police forces in the wake of reports that three pilot areas have been identified as insurgent-influenced.

These areas are Masbate and Catanduanes in Bicol and the Mindoro provinces in the southern Luzon areas. The military is concentrating its forces in the Camarines provinces, Albay and in Sorsogon as the rebels prepare for their final push toward the ultimate battle ground—eastern Visayas region.

Abadia Says Perceived Threats Hinder Investments

HK3105035091 Manila THE CHRONICLE in English 31 May 91 p 1

[By Manny Mogato]

[Text] Perceived threats from the right-wing rebels continue to scare away foreign investments and keep local traders from pouring fresh capital into the country's sluggish economy, the armed forces chief of staff, Lt. Gen. Lisandro Abadia, said yesterday.

"For as long as businessmen and investors perceive the country to be politically unstable because of the existence of renegade soldiers, they would not invest here or (would) withhold any investments in the country." Abadia told the Foreign Correspondents Association of the Philippines (Focap). "Factionalism in the armed forces is more of a perceptual than an actual problem."

The military estimates that more than P100 billion [pesos] has been lost in terms of witheld investments and lost trade opportunities because of the series of coup attempts in the country since 1987.

For instance, a group of Japanese businessmen scouting for investment opportunities in Mindanao hurriedly left the country after they were stranded for almost a week in Davao City during the failed 1989 December coup. They never returned.

Abadia considered the threats from the right-wing rebels as a political and economic problem rather than a security problem, because the capabilities of the renegade soldiers to mount destabilization moves and to overthrow the government have been greatly reduced.

Investors' Confidence Lost

Although the numbers and capabilities of the renegades have been marginalized, the trust and confidence of foreign investors and local businessmen have not been completely regained, Abadia said.

"As long as there are still a few renegade soldiers out there, public perception would remain the same: the economic and political situation would remain shaky because threats of another coup still existed," he said.

This apparently was one of the primary reasons why Abadia has been seeking a dialogue with the leaders of the RAM-KSP-YOU [Reform the Armed Forces Movement-Kawal ng Sambayanang Pilipino (Soldiers of the Filipino People)-Young Officers Union], the rightist rebel group. He wanted to resolve immediately the factionalism in the armed forces so he could concentrate on the counterinsurgency campaign as well as upgrade the capabilities of the military toward taking a greater external defense role.

"It's either I get him (Gregorio Honasa, an ex-colonel who had led at least two unsuccessful but bloody coup attempts against the Aquino administration) or settle this through peaceful negotiations," he said.

Operations to hunt down the rebels have been resumed in an effort to neutralize the five "most wanted" renegade soldiers to put an end to the military problem. The same operations had been suspended for three weeks this month to allow the military's emissaries to get in touch with the renegade leaders and persuade them to negotiate with the military leadership.

Military Chief Vows To Catch Honasan

HK3105034891 Manila PHILIPPINE DAILY INQUIRER in English 31 May 91 p 12

[Text] The Armed Forces chief of staff, saying military rebels no longer posed a threat to the government, vowed yesterday to catch fugitive putsch leader Gregorio Honasan if peace talks failed to take place.

"It's either I get him or we settle this thing through negotiations."

"They have been greatly marginalized and they no longer have the ability to overthrow this government," he said.

Abadia has offered to talk with Honasan and other military rebel leaders who nearly toppled President Aquino in a December 1989 revolt, the sixth coup attempt she had faced in her five years in office.

The rebels proposed exploratory talks before any actual negotiations.

Honasan, the country's most wanted man, has vowed to launch another coup attempt before the end of Ms. Aquino's term in June 1992.

The military has been criticized for its failure to capture Honasan. A P5 million [peso] reward has been offered for his capture.

Meanwhile, a detained rebel officer yesterday urged the government to show "serious efforts" in reconciliation, instead of sending "mixed signals" to the rebel movement.

Ex-PC [Philippine Constabulary] Capt. Diosdado Valeroso, detained spokesman of the Young Officers Union, said the rebel movement is "not asking for concession" but for government "to implement what is implementable."

"They must show some serious effort or show proof of sincerity. Any reconciliation should be for the good of everybody," Valeroso said.

He said the military leadership has expressed openness through dialog but continues to detain rebel soldiers without charges.

"We are not asking for concession. We just want them to implement what is already implementable," Valeroso said.

He noted that several rebel soldiers, including himself, have been detained without charges.

Valeroso, who used the nom de guerre Carlos Maglalang, was captured in October 1990.

Food Shortage Threatens Agusan Evacuees

HK3105054991 Quezon City MALAYA in English 31 May 91 p 9

[By Froilan Gallardo]

[Text] San Francisco, Agusan del Sur—Lack of food, not the spread of communicable diseases, is threatening the lives of thousands of evacuees who left their homes to escape fighting between the military and New People's Army in this province.

Some 3,000 evacuees, packed in evacuation centers here, were given their last ratio of 25 kilos of rice and other essential supplies by the Philippine National Red Cross last May 19.

Despite assistance from the Agusan del Sur Provincial Disaster Coordinating Council and the Department of Social Welfare and Development [DSWD], many evacuees fear that their food supplies will not last for 21 days.

Danilo Garcia, provincial action officer, said funds used to buy rice for the evacuees were from the rice procurement budget set aside during the military's operation to track down renegade Col Alexander Noble last year.

In comparison to the last massive evacuation of Agusan residents at the hight of the military hunt for Noble, food assistance from other civic and government agencies were non-existent.

DSWD Provincial Chief Carmelita Razon said that pre-packed food supplies, good for two days, were ready for distribution to the evacuees.

But Razon said the DSWD may not be able sustain its food distribution because funds available were only good until May 15.

The military said its anti-insurgency operations in Agusan and Surigao del Sur, launched two months ago, would have ended last May 15 but fierce fighting is still ongoing in these provinces.

The Church-backed relief and medical mission found that at least 700 families were crowded at the evacuation centers in the towns of Talacogon, San Luis and Prosperidad. The DSWD reported only 487 families.

Vincent Maloy-on, 10, of Sitio Santiago, died of cholera without any medical attention at the evacuation center in San Luis town last May 19.

Thailand

Army Chief Receives Singapore Minister

BK3105091491 Bangkok Army Television Channel 5 in Thai 1230 GMT 29 May 91

[Text] Singapore Deputy Defense Minister Lee Boon Yang paid a courtesy call on Army Commander in Chief General Suchinda Khraprayun at the army auditorium at 1515 on 29 May. The Singapore deputy defense minister and his five-member delegation were accompanied by Major General Thairawat Patthamanon, army intelligence director. Also present at the meeting were: Army Chief of Staff General Wirot Saengsanit, Deputy Army Chief of Staff Lieutenant General Pramon Phalasin, Assistant Army Chief of Staff for Intelligence Lieutenant General Uam Manorat, Director of Operations Major General Chokchai Hongthong, and Army Secretary Major General Anuson Kritsanaserani.

The Singapore deputy defense minister and his party are visiting Thailand from 29 to 31 May as guests of the Defense Ministry. They are scheduled to tour various army facilities including the 9th Infantry Division in Kanchanaburi Province.

Anan To Urge Sihanouk To Compromise at Talks

BK3105005991 Bangkok BANGKOK POST in English 31 May 91 p 6

[Text] Prime Minister Anan Panyarachun is expected to urge Cambodian resistance leader Prince Norodom Sihanouk to compromise to achieve peace in upcoming talks.

Prince Sihanouk will arrive in Bangkok from Beijing today for an overnight stop on his way to Jakarta, where the rival Khmer factions will meet this Sunday for another round of negotiations on a United Nations blueprint for a Cambodian settlement.

Mr Anan will hold a working dinner this evening with the prince, who will go to the Indonesian capital as guest of President Suharto, not to attend the peace talks.

Foreign Ministry spokesman Sakthip Krairoek said Prince Sihanouk would like his visit to be private, at the invitation of Prime Minister Anan.

The Premier will ask the prince to persuade the resistance factions to compromise so the Jakarta talks will succeed.

Mr Sakthip said Phnom Penh Prime Minister Hun Sen will also stop over in Bangkok en route to Jakarta.

Hun Sen will also be the guest of the Government, and Foreign Minister Asa Sarasin has assigned Political Affairs Department chief Sarot Chawanawirat to receive Hun Sen on his arrival.

Prince Sihanouk will return to Bangkok after the Jakarta round from Sunday to Tuesday.

Diplomats in Bangkok said they do not expect a breakthrough in Jakarta.

The most encouraging outcome would be an agreement to elect Prince Sihanouk as chairman of the Supreme National Council, which Phnom Penh is likely to concede in exchange for the extension of the ceasefire, a diplomatic source said.

France and Indonesia called for the warring Khmers to observe a ceasefire from May 1 until the end of the Jakarta peace talks.

The Khmer Rouge recently issued an ultimatum that the ceasefire would be terminated on June 5 unless an agreement on the UN peace plan is reached.

Meanwhile, Alan Sullivan, a special envoy of Canada, will call on Deputy Foreign Minister Wichian Watthanakhun this afternoon.

Ambassador Sullivan will brief Mr Wichian on the result of his trip to Hanoi and Phnom Penh, Mr Sakthip said.

Canada is keen on participating in peace-keeping in Cambodia.

Paper Views Prospects for Jakarta Talks

BK3105003991 Bangkok THE NATION in English 31 May 91 p A8

[Editorial: "Action Should Speak Louder Than Words"]

[Text] As a new round of peace talks approaches, all concerned Cambodian factions are doing their best to gain diplomatic leverage for their respective positions. Their representatives, together with France and Indonesia, will meet in Jakarta on June 2-4 to discuss the peace plan drawn up by the five permanent members of the United Nations Security Council; and if the concerned Cambodian officials are in the mood, they could resolve the leadership problem that has been plaguing their Supreme National Council since its establishment last September.

The Khmer People's National Liberation Front [KPNLF] and those loyal to Prince Norodom Sihanouk said in a radio broadcast on Wednesday that they disagreed with a threatened end to the ceasefire set by the Khmer Rouge for June 5, the day the Jakarta talks come to a end. The communist guerrillas, the strongest of the three factions, implied that they would resume battlefield operations if the Phnom Penh government failed to accept the United Nations-sponsored peace plan.

It was not at all surprising then that both non-communist factions would come out and oppose the Khmer Rouge, at least in word. It's the customary thing to do, anyway.

For years, the two groups have been very ambiguous toward the Khmer Rouge. Normally, they would side with the communists only when it served their interests and part with them when it did not. This sort of love-hate relationship between KPNLF and the Sihanoukists with the Khmer Rouge is well-known and well documented. However, if this latest move was a genuine indication of a new position adopted by the non-communist groups, then actions would eventually speak louder than words.

Time and time again, the non-communists have been criticized for collaborating with the Khmer Rouge in the field. Since the establishment of their shaky tripartite coalition in 1982, both non-communists and communists have been fighting hand in hand against the Vietnamese troops and, more recently, the Phnom Penh government troops.

If the non-communists want to rid themselves of this allegation of collaboration, they have to disown the Khmer Rouge as soon as possible. The Khmer Rouge, without the support of the non-communists, would find it hard to gain a further ground of legitimacy, in terms of political manoeuvering, as they are apparently enjoying now.

The non-communists should have no fear that without the Khmer Rouge, they would not be able to survive. The world community is still supporting them and wishing them to win in any general election. Although Phnom Penh controls most of Cambodia and its population, a deteriorating socioeconomic situation due to the 12-year-old civil war could rob the government of popular votes.

Ministry Protests U.S. Rice Sale to Africa

BK3105004991 Bangkok BANGKOK POST in English 31 May 91 p 26

[Excerpt] The Commerce Ministry has protested against the United States planned US$10 million rice sale to the Ivory Coast under a cheap credit programme.

An informed source in the Foreign Trade Department said yesterday the protest letter follows a report from the Office of Thai Counsellor in the European Community that Washington intends to sell 60,000 tons of low-grade rice to the country on seven-year credit terms at 4 percent interest per annum.

Thailand fears such sales will adversely affect its exports of low quality rice.

The source said this is the second protest letter from the Thai Government in less than two months over US rice sales on cheap credit terms. The first was submitted when it planned to sell rice to the Philippines.

However, Manila switched to buying soybean from the US. [passage omitted]

Indochinese Telecommunications Potential

BK2805041191 Bangkok THE NATION in English 28 May 91 p E1

[By Margo Towie]

[Text] While the confusion over approval of Charoen Phokkhaphan's [CP] three-million-telephone-line contract continues, major network equipment suppliers have lined up to grab a slice of the action once the deal is secured. The "big six" switching suppliers—Ericsson, Fujitsu, NEC, Alatel, Siemens and American Telephone & Telegraph (AT&T)—have all lodged supply proposals with CP Telecoms.

The price tag on switching equipment is expected to take up some 15 percent of the total Bt100 [baht] billion outlay for the installation of the much-needed three million phone lines. As well as the promise of sales, the winning contender will be offered a slice of equity for the duration of the 25-year concession by CP.

Industry observers belive the US company AT&T holds the lead in the race for chief consultant and supplier but say that because the project is so large other companies are also likely to be recruited to supply and take equity in the project.

While the CP installation has the lure of guaranteed sales of high cost equipment, it is also strategically important to the switching suppliers. Regionally, Thailand is well-positioned as a supply and consultancy base for the development of telecoms in Indochina.

Burma, Laos, Cambodia and Vietnam all require major telecoms investment if they are to develop socially and economically. Industry studies put the financial requirements for telecoms investment in the range of billions of dollars for each country and well above any othr sector requirement.

The reported alignment of AT&T and the Shinawatra Group in the manufacture of telecoms equipment should be seen not just as fulfilling Thailand's needs, but in the context of regional demand. The three European suppliers—Alcatel, Siemens and Ericsson—already have a presence in Indochina.

But new contracts for the European firms are slow because of management and cash problems, in addition, the varied political and socio-economic conditions of the nations in Indochina make the market too difficult to assess overall.

Burma's unstable political situation and its tightly closed economy make it an unlikely market for suppliers in the near future, but all the firms are keeping a watch on developments.

Laos, though cash-strapped, is considered a strong potential market because of its relative stability and its largely untapped resource wealth.

So, although the region as a whole is potentially lucrative, Vietnam is the market all suppliers are most keenly interested in. Four of the six suppliers said Vietnam had the greatest potential in telecoms once it gains access to international financial assistance.

With foreign funding the key to Vietnam's emergence as a newly industrialized economy (NIE), all players will be closely watching developments at scheduled Cambodian peace talks in Jakarta next month. Washington's State Department has tied a settlement of the Cambodian conflict to normalization of financial assistance to Vietnam.

This is despite statements from the International Monetary Fund (IMF) that Vietnam's "exemplary" economic reform deserved the help of the international community to revive the country.

Indications of a thaw in Washington's hard-line stance became apparent late last month when the United States announced its first direct aid to Hanoi since its war ended in 1975, in the form of $1 million to provide prosthetic devices for amputees.

Earlier this year, officials from the Asia development Bank (ADB) attending a telecoms conference in Bangkok privately said that financing to Vietnam was expected to be resumed by the year's end.

Behind the scenes talks between high-ranking ADB officers and Vietnam telecoms officials identified projects which would qualify for soft loans.

But a Vietnamese telecommunications official, Vu Duc Dam, said his government was moving ahead independently with plans to link Hanoi and Ho Chi Minh with Vietnam's provinces. The project would boost domestic lines to 5,000 by the end of 1992 and to 40,000 by the end of the decade.

"We're actively looking for a switching manufacturer to enter a joint venture," Dam said.

Two European network suppliers, Alcatel and Ericsson, have contracts to provide additional equipment to Vietnam by the end of the year for installations managed by Australia's Overseas Telecommunications Corporation International (OTCI).

OTCI operates earth stations in Vietnam and Cambodia while Telecom Australia International (TAI) handles international routing in Laos. Both outfits, owned by the Australian Government, have invested in international and domestic communications for the three countries on a revenue-share basis with the respective governments.

But cash problems in Vietnam and Laos had stalled telecoms plans, the regional manager of OTCI, John Malcolm, said. He said plans to install microwave and optical fibre links between Hanoi and Ho Chi Minh had been held up by a lack of cash.

Such infrastructure projects are critical for Vietnam. The installation of regional exchanges would help give the country a much-needed communications backbone.

Gilbert Van Kerckhove, Alcatel's regional marketing manager, said his company had installed a 15,000 line digital exchange in Hanoi in November and was contracted to put in a 10,000 line extension but the project had been stalled by Vietnam's cash-crisis.

Ericsson is also scheduled to install state-of-the-art digital exchanges in Vietnam's hubs of Ho Chi Minh and Hanoi by the end of the year.

"From our point of view, we're ready to go ahead with the projects," Ericsson's Australian-based vice president for international affairs Kevin Casey said, while indicating the cash shortage could hold up the installation.

Mirroring the sentiment of the other switching suppliers, Casey said the Cambodian dispute would have to be settled before Vietnam's full market potential could emerge.

Ericsson had also installed international switching equipment in Cambodia and Vientiane but Casey said further installations were at this stage unlikely as "these countries are strapped for cash."

Management problems were also holding back war-torn Cambodia from developing its telecoms infrastructure while Laos was limited by its ability to service loans. Even so, Laos and Cambodia each have Indian Ocean region earth stations, in Vientiane and Phnom Penh respectively, linking them to the outside world.

Vietnam has three international links: Indian Ocean region earth stations in Hanoi and Ho Chi Minh and a Pacific region facility in Hanoi.

The Vietnamese government last month also signed a memorandum of understanding with the Hong Kong-based consortium running the Asiasat 1 telecommunications satellite in anticipation of boosting international telecoms capacity.

At present, some 90 percent of transit traffic from the three countries goes through Australia to other destinations.

While the Europeans have already got a foot in the regional door, the Japanese suppliers NEC and Fujitsu are closely monitoring the Vietnamese and Laotian markets.

NEC's chief representative in Bangkok, Akihisa Ariga, and Fujitsu's general manager, Masato Tejima, both said they were watching the markets through Japanese trading companies on the ground.

Both said independently they expected to benefit in Vietnam if the Japanese Government extended aid and soft loans once international lending is resumed. Officials from Alcatel and Ericsson both agreed that Japanese equipment suppliers riding on bilateral aid posed a threat.

Japan has been playing an increasingly active role in Indochinese affairs in recent months and, with its economy on the crest of a wave, observers believe no other government can compete with its extension for soft loans.

Both Alcatel's Van Kerckhove and Ericsson's Casey said they could not compete with the economic muscle of the Japanese. They each independently admitted it was unlikely the German or Australian governments would match the low interest loans made available by Japan.

Meanwhile, AT&T would make no comment on its interest in the region. Industry sources, however, said the US giant was gearing up for normalization in Vietnam.

At the moment, it's a waiting-game situation in Indochina. But the eventual reinstatement of financing to Vietnam should cause that country to move ahead by leaps and bounds.

Vietnam's socialist government has adopted an open-door economic policy to fully integrate it with international markets while private enterprises have been relegitimized.

The implementation of Vietnam's structural reforms, a peace settlement in Cambodia and the exploitation of Laotian mineral wealth are key factors in providing at least the framework for investment in technology.

But the prognosis is not so good for Burma. Although suppliers acknowledged the market's potential, all agreed the deep-rooted political conflict there showed no signs of resolution.

Anan Addresses Federation of Industries

BK2605122191 Bangkok KRUNGTHEP THURAKIT in Thai 22 May 91 pp 1, 6

[Report on speech by Prime Minister Anan Panyarachun to the Federation of Thai Industries at the Dusit Thani Hotel in Bangkok on 20 May, entitled: "The Government's Policies"]

[Text] This government, I am confident, will perform its duties with honesty. In the past, people tended to think negatively about the government. I am not in a position to judge whether such an attitude was right or wrong. The only thing I can promise is: as long as I am the prime minister, I will try my best to steer my government clear of charges like those leveled against the governments of the past. I am not sure how successful I will be, but whether I am successful or not depends partly on the cooperation I get from businessmen, industrialists, and the people in general.

I am here today in my capacity as the government leader with responsibility toward the country. I am also here as a member of the Federation of Thai Industries. I may not be a veteran in the federation as some of you are, but the fact that I have been in the private sector for 13 years has taught me some things. I do not represent any particular group. I was once a civil servant, then a businessman, and now I hold a political office. Today I am happy to see my old friends again. And I would not have done my duty if, in seeing my old friends, I did not tell them something frankly and sincerely.

The federation of industries wanted me to talk today about "the government's policies." I would like to make it brief. In the government's policy statement which I declared to the National Legislative Assembly, there are nine areas of concern, and four of them deal with economic and industrial policies.

On those major areas, I would like to report to you what the government has done and plans to do in the future. Concerning the policy of strengthening the economy, the first thing we tried to do was to encourage a greater role by the private sector. The public sector should scale down its role while making way for the private sector to play a more active role. This is not because we want to give the private sector opportunities to make more profits, but because we have seen that there is no way for state personnel or a state system to control state enterprises or economic entities of the government and make them function efficiently and profitably, and their failure to do so could place heavy burdens on the taxpayers. The government wants to promote free and fair competition as a deterrent to monopolies, either by state firms or by private enterprise. All enterprises should serve the interest of Thai society. If business decisions are to be made, the state cannot make those decisions on behalf of the private sector because it knows nothing about business matters. We must let the private sector make the decisions. And if they suffer losses, it will be their responsibility. If the government interferes too much in making business decisions, then the government will have to bear the responsibility and as a result this could lead to economic distortion. In the interest of consumers, we will encourage investment in general. Meanwhile, the government must cut red tape in order to stimulate those private enterprises.

We have carried out several measures over the past eight to nine weeks. The Industry Ministry has removed the ban on the establishment or expansion of factories in 21 industries. It has streamlined procedures on requests for setting up new factories. This now has to be completed within 15 days, or not more than 45 days for industries which could cause pollution. I have ordered a review of the investment promotion system to make it flexible and practical. Two weeks ago, the cabinet approved the contract signed for setting up a fourth oil refinery; this project had been shelved for more than a year. We will lift official controls and red tape because such unnecessary procedures are partly responsible for official corruption.

As domestic production is growing more and more important, we cannot deny that exports remain a vital economic force. If we have to enter into international competition, with set rules and regulations, it is necessary for us to adjust the country's tax system to make it in keeping with the current trend. I have discussed this with the finance minister and we agreed in principle that tax reform must be carried out and completed within this government's term of office.

I must say frankly that most businessmen do not pay taxes properly. Businessmen in Thailand still keep two account books, and there always remains the practice of under-the-table fees. We must change this attitude now and be more responsible to the country. You can be rich, but not at the expense of others or not to the extent of making it impossible for others to live in this country. Please spare some thought for those who live under very poor conditions in our own society. I think that tax reform, if carried out, would not make you poor. It would even be an incentive to push you further and make you even wealthier without having to take advantage of others. Please help share the government burden. You can go on with your commitments to charity, but be sincere with it and do not make it serve just as a front for your other interests.

The government will see to it that tax reform will ensure fairness to all parties concerned and solve the problem of duplications in taxation. I cannot describe to you exactly what the tax reforms will be because this will have to be a cabinet decision and passed into a law. But I want tax reform to help in lowering production costs and ensuring fairness to consumers. The present taxation system in Thailand is not serving the production process. We will adjust the import tariff structure on raw materials, parts, and finished products. We will introduce the value added tax for enforcement. The law will be submitted to the cabinet in June and it should be ready for enforcement in early 1993.

Without reform, the government would incur a loss of up to 10 billion baht. We do not want that to happen. We would like to see how responsible Thai businessmen are. We will adjust personal income taxes and corporate taxes later on. Be a little more patient; you will have a hundred-percent chance to pay taxes.

On the question of basic infrastructure development, this has been a long-delayed problem for Thailand which has been in the process of developing. We will do our best to solve the problem. What we cannot accomplish now, we will lay down the groundwork for subsequent governments. We will give the go-ahead for the projects already signed. The skytrain project which has already been approved will be carried out. We will carry out the airport expansion project. We will build Nong Ngu Hao Airport. A national committee has been set up with the communications minister as chairman to oversee all this. We will expand U Taphao airport into a commercial airport. And if possible, we will expand the industrial estate to cover the aircraft and electric industries. We will see to it that the utilization of Laem Chabang Port is expanded commercially. We may reconsider a plan to have the private sector operate the four wharfs at Laem Chabang.

Now about the project of interest to the public, that is, the three-million-telephone-line project, we have studied the details of it closely ever since we took office. The matter has been fairly reviewed, and we are not going to start it all over again by pointing out loopholes or irregularities. The project was reviewed because no agreement was signed. We therefore must review the contract to make sure that: 1. it yields an appropriate interest to the country; 2. it yields an appropriate interest to the Telephone Organization; 3. it gives service to the public according to our target; 4. the project will not be altered from a state monopoly to a monopoly of a certain company; 5. the company selected for the project must be given justice; and, 6. discussion must be carried out with the company which nearly won the bid in order to find the best solution to serve the country within the capacity of the company. I give two more weeks for this. If things can be settled, then it will be fine. If not, we will have to have an alternate plan. Anyway, this government will negotiate without prejudice, and if there is a chance to make it a private enterprise, we will go ahead with it.

We have a good ally that is a world power. It has its own way of working which we may not agree with. In the realm of international politics, there is no friend or foe. There is only interest. It is the duty of the government to provide all possible information regarding a subject we are arguing about. We will have to continue our negotiations with the United States placing national interests and the plight of the poor people at heart. If we cannot maintain our exports and if our factories cannot function normally, what will happen? We must look at an overall picture of the national economy. This government will never forget the poor people. The matter does not concern only pharmaceuticals. And it does not mean that we are going to submit to all U.S. demands. We will do our best to safeguard national interests. There will be another meeting next month. All of us in the government share a common responsibility because these problems are related.

Concerning the shortage of personnel, the government will increase its production of engineers from 3,400 this year to 5,100 next year, and to 6,100 in 1994. It also has a plan to open five more universities. On monetary issues, we will continue with our plan of deregulation. Problems are more complicated as the world is advancing ahead. We need money to solve all those problems. Without money, we would have more trouble. I would like to tell you frankly that, although this government is made up of civil servants cum businessmen, we are not lackeys to businessmen. We are applying our business-minded system to the administration of the government and the country. We believe in a free economic system. We will adopt transparency in making decisions. An economic system with the private sector as a leading force is the best to benefit the country and the people. We must safeguard it. Without it, we will have no money to solve our social problems.

Anan Dismisses Speculation on Successor

BK2705035791 Bangkok THE NATION in English 28 May 91 p A1, A2

[By Sorayut Suthatsanachinda]

[Text] Prime Minister Anan Panyarachun sported a nonchalant smile when a reporter observed that speculation about who would succeed him seems to have overshadowed his performance as head of the interim government.

"I feel nothing. That doesn't interest me at all," he said on board a military plane bringing him back to Bangkok from a visit to Jakarta.

After three eventful months, Anan is still managing to keep cool despite his delicate relations with the military junta that installed him and local and foreign journalists trying to judge whether he is an independent transitional ruler or a puppet.

Looking relaxed during the informal interview, Anan stressed that he would not let emotions direct him, that every conflict must be handled with reason.

He ruled out the possibility of resigning if serious conflicts with the military erupt.

"I'm not a sensitive man. I'm not that kind of man," he said. His visit to Indonesia, his first foreign trip since being appointed caretaker prime minister, was played down by the local press, overshadowed by rumours about the future of army chief Gen Suchinda Khraprayun.

Suchinda, though he repeatedly denies that he has political ambitions, is tipped to become Anan's successor.

Anan declined to comment on the speculation, saying his increasing workload has prevented him from reading much political news.

"I have to be selective about newspapers. I don't read much stuff that doesn't concern me," he said.

Asked if he would accept the premiership if offered the post again after the next general election, Anan simply said: "I don't think much about the future."

In Indonesia, he assured members of the Thai community that Thailand would return to democracy within this year or early next year.

"After talking with those drafting the constitution, I'm quite certain that a general election can be held within this year," he said.

Anan declared recently that he would resign if the military broke its promise to hold a general election by next April.

On Friday, on board the military plane that was preparing to take Anan to Jakarta, reporters noted that one air hostess had also served former prime minister Chatchai Chunhawan when his plane was seized by air force commandos at the beginning of the Feb 23 coup.

The reporters joked that Anan's plane might also be "hijacked".

When the prime minister heard the joke, he said the miltiary did not need to use force if it wanted to oust him.

"Just make one phone call," he said.

Colleagues Support Suchinda as Sunthon Successor

BK2605042891 Bangkok BANGKOK POST in English 26 May 91 p 1

[Text] Key class five figures in the three armed forces last night voiced support for Army Commander-in-Chief Suchinda Khraprayun succeeding Gen Sunthon Khongsomphong, who retires as supreme commander at the end of September.

Admiral Wichit Karunyawanit, chief-of-staff of the navy and Deputy Interior minister, said his colleagues in the navy, who are Class 5 members, had been working with Gen Suchinda for a long time and found him most suitable to hold the supreme commander's post in addition to that of Army chief.

"Especially at a time when the political situation has not returned to normal," he added.

Adm Wichit, who was leader of the Class 5 group at the Naval Academy during his training, said he will convey the opinion of his colleagues to Gen Suchinda when appropriate.

He maintained there is nothing wrong or damaging for Gen Suchinda to hold dual posts as Army chief and supreme commander.

"Ability should be the key factor that counts. And we found him (Gen Suchinda) most suitable," said Adm Wichit, adding he believes the other classmates in the army, Air Force and the Police share his view.

Meanwhile, Gen Wimon Wongwanit, assistant army commander-in-chief and Deputy Defence Minister, told reporters he also finds Gen Suchinda suitable to hold the supreme commander's post concurrently with the Army's after Gen Sunthon retires.

"But this has to depend on Gen Suchinda to decide," he said, adding that as an officer under the Army chief's command, he could not voice his support for Gen Suchinda.

However, he said the issue had not been formally discussed among his former classmates of the Chulachomklao Royal Military Academy.

First Army Region commander Lt-Gen San Siphen said, as a subordinate, he could not say specifically that Gen Suchinda should be made supreme commander.

He was responding to a question at a reception hosted by the Navy in honour of members of Class 5 and their families at the Sattahip naval base.

"But as far as suitability is concerned, we have to support him (Gen Suchinda) because he is suitable," he said.

Echoing this opinion, Air Force Commander-in-Chief Kaset Rotchananin said he found the Army chief most suitable and pledged his full support for Gen Suchinda.

He said he had never discussed the matter with Gen Suchinda "but when I look him (Gen Suchinda) in the eyes, I know he can be (supreme commander)."

Asked whether or not Class 5 members would support Gen Sunchinda being the next prime minister, ACM Kaset said the military had made it clear it would be dissociated from politics. The Army chief had also announced his intention not to play politics.

He also maintained it is not unusual for the Army chief to assume the supreme commander's post concurrently.

Observers said last night that Gen Suchinda would be one of the most powerful figures in the country if he takes over as supreme commander after Gen Sunthon.

In a welcoming address at the reception, Admiral Wichit vowed full support for both Gen Suchinda and ACM Kaset.

"If you have anything which makes you unhappy, we will stand by your side," he said and recalled the unified spirit of Class 5 as manifested in the February 23 coup d'etat.

In his reply, Gen Suchinda vowed to devote himself to the interests of the country.

Suchinda on Corruption, Ambitions

BK2605052291 Bangkok BANGKOK POST in English 26 May 91 p 4

[From the "Inprint" column]

[Text] Members of the National Peacekeeping Council [NPKC] took the risk of staging a coup in order to rectify a political problem. While the task is still incomplete, how can they let go of it? This view was aired by Army Commander-in-Chief and NPKC deputy chairman Gen Suchinda Khraprayun at a recent meeting with a group of press columnists.

"The first thing to worry about is vote-buying. What will happen if the same type of (vote-buying) MPs [members of parliament] are returned in the coming elections. It will spoil the MPs. I think that at the very least we should have a specific law aimed at those buying and selling votes. It will have to be done by the constitution-drafting committee," the general said.

"Another important matter which needs rectifying is corruption among politicians and civil servants. I think there should also be a specific law here. We have to stop the illegal cooperation between politicians and businessmen. We have to punish (crooked) politicians and approving committee members. Look at the Don Muang tollway project; the contract forbids improvement of the Wibhawadi-Rangsit highway to force people to use their tollway. How could such a contract be approved?"

Where the political scene is concerned, Gen Suchinda wants to see a new generation of people enter politics. They should be idealistic and not like the old MPs who used to go around seeing which party would pay them more. "Take my case. Several people have supported (his being made prime minister) because they hope to be made ministers afterward. This is why I support the new generation, people like Mr Suwat Lipataphanlop and Mr Niphon Phromphan. These people already have money and now want honour," he said.

The deputy chairman of the NPKC said he had told the Interior Ministry that for democracy to survive, there has to be elections at every level, from the district officer, police superintendent and more, but the ministry said that to do so would allow wealthy businessmen to buy their way into administration at all levels. They pointed out that even now, provincial council members are all construction contractors. "This is why I cannot do what I want all the time and have to listen to others. But I think that we have to work on some way of solving these problems," Gen Suchinda said.

"Let me stress and say again that it (the coup d'etat) had to be done. If it was not done we would not survive. The problem had to be solved, or we would have had it. I think that this government can solve problems to a fair degree. We have already discussed it. There is now still time. If we can issue a law to deter the actions of bad politicians then our country and democracy can survive.

"What we need very much is national unity. We fight so much among ourselves that we forget that we also have to compete much with others. Every group sees others as enemies. Permanent civil servants regard politicians as enemies while politicians want to change the existing system. The military is accused of impeding the progress of democracy.

"But the truth is that we were moving unfailingly toward dictatorship. We know of it, but cannot talk about it. When the time comes, I will reveal what Prime Minister Chatchai (Chunhawan) said to me. He said it outright. For now, I can only say that he urged me to set up a party, but I said no. I would rather live simply as an ordinary person."

To a direct question on whether he would accept the job as prime minister, Gen Suchinda sidestepped by saying that we still do not know who the new prime minister will be. When pressed further whether he would accept the job if Parliament was to choose him for the post, Gen Suchinda replied: "Why should I (accept the job) and give myself extra work. I am happy as I am. After retirement I can be the chairman of the Thai Miliary Bank.

"I met Commander Prayut (Gen Prayut Charumani, former Army chief and presently chairman of the Thai Military Bank) recently and he told me that I have only to name the day. Did you know that former tenants of the house I am living in now all became chairmen of the Thai Military Bank? Gen Prayut used to live there, so did Gen Chitti Nawistien, a former chairman of the bank."

Paper's View on Suchinda

BK2705040191 Bangkok THE NATION in English 27 May 91 p A7

[Editorial: "Suchinda Need Not Be Shy If He Has the Okay"]

[Text] There is nothing Gen Suchinda Khraprayun should be shy about now. Key Class Five figures in the three armed forces have given him a resounding yes if he wants to hold both the post of army commander-in-chief and of military supreme commander after the incumbent supreme commander, Gen Sunthon Khongsomphong, retires in October. Since Class Five's hold on power following the Feb 23 coup is unquestionable, there is no need for Gen Suchinda to seek endorsement elsewhere in deciding whether he would want to become the country's most powerful military man.

All arguments put forth by his associates and friends for him to be both army commander in chief and supreme commander at the same time boil down to one: that there is no other person in the Thai armed forces more qualified to succeed Gen Sunthon. This point was hammered home by several of the military leaders during a together in Sattahip on Saturday night. And so far no one of authority has come out to dispute it.

If the whole of the top military echelon, as we are told, is behind him, we think Gen Suchinda would find it hard to turn down the once-in-a-lifetime offer. It was obviously nothing more than a perfunctory remark when Gen Suchinda said it was up to his "superior" to decide his future. As army commander in chief and the No 2 man in the National Peacekeeping Council, Gen Suchinda is already one of the most—if not the most—powerful military men. Getting his "superior", in this case Defence Minister Adm Prapat Kritsanachan, to consent to his promotion is probably the last thing he would need to do.

Having Gen Suchinda as both army chief and supreme commander would seal Class Five's consolidation of power in the armed forces. After all, the Class Five officers may see this as a reward for their role in the coup that they claimed has rid the country of a corrupt government bent on creating a "parliamentary dictatorship" and destroying the unity in the armed forces.

What happened on February 23, 1991 and afterwards makes any talk to principles irrelevant. It is not even necessary for the military top brass to try to justify their support for Gen Suchinda as their "supreme boss". And there is reason for Gen Sunchinda himself to be shy about the affair. He would not even need to explain to the public why none of Gen Sunthon's deputies are qualified to succeed the supreme commander. And there is certainly no need for a debate on what is right or wrong—because it does not make any difference anyway.

Gen Suchinda should come right out and say he wants the job because nobody else can handle it. He can refer to the Class Five as undisputable evidence that he has all the support in the armed forces. He can, of course, tell the public that he remains a man of no ambition as he has always been but is doing this solely in their interest. We are certain people will "believe" him as they did the reasons for the coup—in which he was the principal player.

Vietnam

Minutes of Joint-Soviet Conference Signed

OW3005155691 Hanoi VNA in English 1426 GMT 30 May 91

[Text] Hanoi VNA May 30—The minutes of the 11th Conference of the Joint Working Group of the Vietnamese-Soviet Commission for Cooperation in Publishing, Press, Printing and Book Distribution were signed here today.

Signatories were Tran Hoan, minister of culture, information, sports and tourism of Vietnam, and M. Nenasev, chairman of the committee for publishing and press of the U.S.S.R.

Also this afternoon, the Soviet delegation was received by Vice Chairman of the Council of Ministers Nguyen Khanh, who highly appreciated the Soviet Union's assistance to Vietnam in publishing, and expressed his hope for further bilateral cooperation in this field.

Radio Views Coming SNC Meeting in Jakarta

BK2705135591 Hanoi Voice of Vietnam in English 1000 GMT 27 May 91

[Station commentary]

[Text] The meeting of the Supreme National Council [SNC] of Cambodia will be held in Jakarta, Indonesia, from 2 to 4 June. Indonesia plays host to this meeting in an (?attempt) to promote the (?prospects of) the peaceful settlement of the Cambodian issue, for which objective Indonesia be obtained. Here is our commentary.

Not only Indonesia but many other countries, especially the Cambodian people, wish the coming SNC meeting a success to create conditions for achieving a peaceful solution to the Cambodian issue. To attain this goal, efforts and goodwill should be made by all Cambodian factions.

Over the past few days, the Phnom Penh government expressed its determination to achieve this goal. According to Cambodian Foreign Minister Hor Namhong, Chairman Hun Sen will devote his time and try to make the coming SNC meeting a success.

Countries concerned with the Cambodian issue truly support the Cambodian state and its positive objective. During his recent visit to Indonesia, Thai Prime Minister Anan Panyarachun reaffirmed Thailand's unchanging basic stand toward the Cambodian issue, despite changes in the Thai leadership. In her visit to Cambodia, Mrs. Danielle Mitterrand, wife of the French president, held talks with Chairman Hun Sen and Foreign Minister Hor Namhong.

The Lao Red Cross has said that the American Red Cross will set up an office in Phnom Penh. This development, first of all, is for humanitarian purposes. But it is clear that without recognizing the State of Cambodia's prestige and supporting the Phnom Penh Government's activities and positive efforts in settlement of the Cambodian issue, these countries will not act like that.

It is regrettable that the other Cambodian opposition factions did not do likewise. The Khmer Rouge has grossly violated the cease-fire. They fired artillery shells on populated areas in Battambang Province. UPI news agency on 24 May said that it's inhuman that they had even fired at the civilian target where a humanitarian mission was working and the cease-fire had come into effect. If such actions continue, noble ideas as well as efforts for the success of the coming SNC meeting will probably not be achieved.

On Sunday, Khieu Samphan sent a letter to Indonesian Foreign Minister Alatas, saying that the Khmer Rouge will take part in the SNC meeting. It is reported that the Sihanouk and Son Sann factions also made public their plans for the SNC meeting.

People hope that through taking part in the meeting, the Cambodian oppostion factions must respect their commitments to the cease-fire, show their positive attitude and goodwill for the interests of the Cambodian people, and only by so doing can they obtain a peaceful and just solution to the Cambodian issue.

Speaking at a press conference in Jakarta on 25 May, Thai Prime Minister Anan Panyarachun was right when he urged all sides concerned to hurry up as the future and interests of the Cambodian people are in their hands.

Exhibition on Cooperation With Finland Opens

BK3105071691 Hanoi VNA in English 0634 GMT 31 May 91

[Text] Hanoi VNA May 31—An exhibition named "Vietnam-Finland, Hanoi-Helsinki" was opened here yesterday by the Hanoi Communication and Public Works Service and the Hanoi Culture and Information Service.

The exhibition comprises three sections:

"Finland: The Land and People","Vietnam-Finland Friendship" and "Projects of Friendship".

The exhbition also displays the results of the implementation of the first and second phases of the Finnish funded water supply program in Hanoi and the pen for the third phase (1991-94).

During the first and the second phases (1985-1990), Finland invested 224 million Finnish marks and 31 billion VN [Vietnamese] dong in building two new water supply plants, expanding and upgrading seven other water supply plants, adding 183,000 cubic metres of water each day and night to Hanoi and installing more than 140 kilometres of pipeline.

The third phase capitalized at 152 million Finnish marks and 50 billion VN dong has begun.

After the third phase, Hanoi could supply 420,000 cubic metres per day and night for 600,000 people.

West Australia Joins in Land Registration System

BK3105070091 Hanoi VNA in English 0637 GMT 31 May 91

[Text] Hanoi VNA May 31—The West Australia government has agreed to cooperate to obtain necessary financial assistance to complete the feasibility study for a modern system of land information and registration in Vietnam. This was mentioned in a memorandum of understanding signed here recently by David L. Smith, minister for land of West Austalia, during his visit to Vietnam and Ton Gia Huyen, director of the General Department of Land Management of Vietnam.

Speaking at the signing ceremony, David L. Smith said that the signing of this document would pave the way for long-term and effective cooperation between Vietnam and West Australia.

David Smith and his party were received by Dong Si Nguyen, vice chairman of the Council of Ministers. The host spoke highly of the effective assistance of the West Australia government for the building of a land management system in Vietnam.

Energy Cooperation Agreement Signed With Sweden

BK3105072091 Hanoi VNA in English 0632 GMT 31 May 91

[Text] Hanoi VNA May 31—An agreement on energy cooperation between Vietnam and Sweden was signed in Hanoi on Thursday. The signatories were Le Liem, vice minister of energy of Vietnam, and Mrs. Birgitta Johansson, Swedish ambassadress extraordinary and plenipotentiary to Vietnam. The agreement is part of the Swedish International Development Authority's programme of cooperation with Vietnam for the period 1991-1995.

Under this agreement the Swedish Government will provide financial aid to impove the electric line grid in Ho Chi Minh City, Hanoi and Quy Nhon, to maintain a number of power stations in southern province and to train technicians.

Trade Protocol Signed With Albania

BK3005095291 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 29 May 91

[Text] A protocol on goods exchange and payments for the 1991-95 period and a protocol for 1991 between Vietnam and Albania were signed in Hanoi on 29 May by Comrade Le Kim Nang, deputy minister of tade, and Comrade Gezim Arapi, ambassador extraordinary and plenipotentiary of the Republic of Albania to our country.

Since 1991, the exchange of goods between our country and Albania has been made on the basis of the world market and prices and paid in hard currency. The volume of goods exchanged between the two countries has increased by 30 percent over the past five years.

Thach, Others Attend Memorial Service for Gandhi

BK3005080291 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 29 May 91

[Text] This morning, at the Hanoi Workers' Vietnam-USSR Friendship Cultural Palace, the Vietnam Union of Peace, Solidarity, and Friendship Organizations; the Vietnam Committee for Afro-Asian Peoples Solidarity; and the Vietnam-India Friendship Association held a solemn memorial service for His Excellency Rajiv Gandhi, former Indian prime minister who was assassinated recently.

Attending the memorial service were Comrade Nguyen Co Thach, vice chairman of the Council of Ministers and minister of foreign affairs; Professor Pham Song, minister of public health and chairman of the Vietnam-India Friendship Association; and many representatives of various organs and mass organizations of our country and of the people in the capital.

Also present were His Excellency Jagdish Chandra Sharma, ambassador, and many Indian embassy cadres and experts working in Hanoi.

In an atmosphere of solemnity and emotion, Minister Pham Song delivered a speech before His Excellency Rajiv Gandhi's altar, which was filled with the scent of burning sandalwood. He said: To the Vietnamese people, the passing away of His Excellency Rajiv Gandhi is the loss of a great and close friend. Sharing this great loss with the Indian people, the Vietnamese people believe that the great Indian people will overcome all grief and ordeals to continue moving forward to successfully build an independent, unified, modern, and powerful India—the cause for which His Excellency Rajiv Gandhi, as well as his grandfather and late mother, had struggled and sacrificed his life.

Ambassador Jagdish Chandra Sharma sincerely thanked various Vietnamese organizations for holding such a solemn memorial service for His Excellency Rajiv Gandhi. He said: In this moment of grief, let the peoples of India and Vietnam strengthen and make their friendship, cooperation, and mutual assistance ever firmer.

Those attenting the memorial service observed a minute's silence in memory of His Excellency Rajiv Gandhi.

Ministry Holds Conference on Publications

BK2805081891 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 22 May 91

[Text] The Ministry of Culture, Information, Sports and Tourism on 21-22 May organized a national conference on book publication in 1991. Attending the conference were leading cadres of cultural, information, and publication offices from provinces, municipalities, and special zones throughout the country.

Delegates to the conference expressed their identity of views to the report on publication work in 1990 delivered by comrade Huynh Ngoc Ly, director general of the Vietnam Book Publishing Corporation.

It is noteworthy that the book publication sector has effectively improved its market mechanism and actively participated in various political drives of the nation despite numerous difficulties.

In 1991, the sector has planned to publish 175 million pieces of publications to serve the political, economic, and cultural tasks. On the average, two persons will have one book for reading. Trading in books has improved while topics for publications increased considerably—from 1,700 topics in previous years it has increased to almost 3,000 topics in 1990.

However, capital is still the most pressing issue facing the sector at present.

The conference debated on means and ways to clear the sector's debts, while discusssing measures to concentrate efforts on satisfactorily carrying out the political task in 1991 and the subsequent years, especially the implementation of resolutions of various echelons of party organization congresses and those of the national party congress. The sector has been assigned to effectively publish four categories of books and cultural documents which include books related to the political, daily life, cultural, and scientific-technological domains; books for children, books on developing the human resources, and books on implementing the party renovation cause.

Nguyen Khanh Attends Conference on Labor

BK3005052291 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 29 May 91

[Text] A conference was jointly held in Hanoi from 27 to 29 May by the Ministry of Labor, War Invalids, and Social Welfare; the Ministry of Finance; the Confederation of Vietnamese Workers; and the Cadre Organization of the Government.

The purpose of the conference was to review the two-year implementation of Decicion No. 176-HDBT on reorganizing labor in state economic units, Decision No. 60-HDBT on modifying the system of subvention for workers and civil servants who have been laid off due to poor health conditions, as well as to disseminating guidance for the implementation of the resolution on arranging staff personnel in the domain of professional administration.

In his report at the conference, Comrade Tran Dinh Hoa, minister of labor, war invalids, and social welfare, said: After two years of reorganizing labor in the state economic sector, initial results have been attained in consolidating the management machinery, formulating logical production plans, and rationally arranging laborers for various production chains. This has made it possible for us to gradually increase labor productivity and fulfill the plan for the turnover of revenue to the state budget.

Some 450,000 laborers have been laid off from various production chains. Of this number, based on investigations in some establishments and localities, 20 percent now earn incomes higher than when they worked for the enterprises concerned, 20 percent lower, and the remainder have received continuous or temporary employment.

Addressing the conference, Comrade Nguyen Khanh, vice chairman of the Council of Ministers and vice chairman of the subcommittee responbible for the reduction of staff personnel, pointed out the tasks that must be carried out in the days ahead with the aim of effectively implementing all the resolutions of the Council of Ministers on rearranging staff personnel in the domain of professional administration. He said:

As an immediate step, all establishments and localities must carefully examine ages and years of service of workers and civil servants while coordinating closely with the central government in carrying out this work in accordance with the spirit of the campaign for administrative reforms.

Writers, Artists Union CC Meets in Hanoi

BK3005065491 Hanoi VNA in English 0608 GMT 30 May 91

[Text] Hanoi VNA May 30—The Central Committee [Central Committee] of the Writers and Artists Union met here on May 28-29 to discuss the situation of literature and arts in the recent past, the orientation for its activities in the coming time and the issues of literature and art to be presented at the coming seventh congress of the party.

Among those present were Nguyen Khanh, vice chairman of the Council of Ministers, Tran Trong Tan, head of the Commission for Culture and Ideoloay of the party Central Committee, and Cu Huy Can, president of the Central Committee of the Writers and Artists Union.

About 30 writers and artists spoke at the meeting. Many levelled strong criticism at the shortcomings of the leadership in literature and arts which led to the appearance of bad works and the dissemination of viewpoints harmful to the spiritual life of the population.

The conference agreed to send seven proposals to the seventh party congress and adopted a letter to writers and artists throughout the country. The letter says:

"Now is the time to take our bearings again, we cannot and must not abandon the road of socialism. To turn our back to socialism means to depart from the road of independent development of the country. We must carry on the uncompromising struggle against all schemes and acts of the hostile forces of using literature and arts to harm national security and the socialist cause and furthering their dark designs.

National High Technology Center Established

BK3105072891 Hanoi VNA in English 0557 GMT 31 May 91

[Text] Hanoi VNA May 31—The Vietnam National Center for High Technology with Technician and Industrial Park (VNCHTI) made its public appearance here on Thursday.

VNCHTI under the Vietnam Institute of Sciences is a business organization which specialized in transfering high-tech of foreign countries to Vietnam, appying high-tech achievements in Vietnam and training high-grade technicians and economic managers.

The center will form joint ventures and cooperation projects with economic branches, localities, companies and production groups within and withount the country.

Prof. Academician Nguyen Van Hieu, director of the Vietnam Institute of Sciences, was appointed president of VNCHTI's Council of Founders and sponsor.

VNCHTI's international adviser is Count Mubertus Faber Castell of Germany who is teaching at the Hong Kong university.

The center is temporarily based at the Vietnam Institute of Sciences in Hanoi.

VNA Cites 1986-90 Import-Export Figures

BK3005072491 Hanoi VNA in English 0616 GMT 30 May 91

[Text] Hanoi VNA May 30—Vietnam's export value rose to 2.15 billion roubles and dollars in 1990 from 1.82 billion in 1989. In 1988 Vietnam began crossing the threshold of one billion roubles and dollars in export value.

The export-import ratio posted a continual increase, from 38 percent in 1986 to 74 percent in 1990. Main exports were rice, crude oil, frozen shrimp, coffee and rubber.

Meanwhile, imports in terms of roubles and dollars, rose 6.2 percent in 1990 from the 1989 level. Most of the transactions in the reviewing period (1986-90) was done with the Soviet Union and other East European countries, Vietnam's traditional markets. Vietnam has signed six programmes of cooperation in producing coffee, rubber, tea, cocconut, hot pepper and vegetables and several contracts to manufacture products of light industries. With regard to other countries, exports in 1990 was double the 1988 level and accounted for 58 percent of the total exports. Almost the same rate of increase was recorded in the imports which made up 52 percent of the total import value.

This year, Vietnam hopes to earn $1.8 billion dollars through export and to basically meet the demand in imports especially in raw materials of strategic importance. The value of imports is planned at $1.8-1.9 billion.

Renovation, Foreign Investment Reviewed

BK3005162191 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 27 May 91

[Article by Dau Ngoc Xuan, chairman of the State Commission for Cooperation and Investment: "Prospects for Foreign Countries in Cooperation and Investment in Vietnam"]

[Summary] During the past several years, Vietnam has experienced an acute economic crisis with a high inflation and deteriorating infrastructure, causing difficulties in people's livelihood. This is unavoidable for a country that experienced protracted wars and obstacles in developing its economy.

"Having been entrusted by the people with the great task of overcoming this crisis, the Sixth Communist Party of Vietnam Congress in 1986, changed its concept by introducing renovation to improve the economic, political, and social domains comprehensively, with the appropriate measures and steps aimed at achieving socioeconomic stability and development for the nation."

What have we achieved so far? Our achievements in the economy are the following:

First, we have promoted ownership and joint venture in various forms including state-run, collective, individual, and private economic and trade establishments. The objective of the state is to strengthen the state-run economy and encourage collectives and individuals to engage in productions and services to meet the requirements of society.

Second, we have eliminated bureaucratic centralism management and state subsidies, and replaced it with a new management system based on the market mechanism.

Third, we have revised the investment structure by providing more capital for the production of grain and food, consumer goods, and export goods.

Fourth, we have taken measures to stabilize prices and the rate of exchange according to the market mechanism. In addition to that, we have improved financial and banking activities to curb inflation and also made efforts to eliminate the state subsidies system, and promoted competition to enhance product quality and reduce production cost.

"In politics, the renovation is being widely implemented to catch up with the economic renovation, thereby creating favorable politico-socioeconomic conditions for the economic development program. The main objective of the political renovation is to ensure the power of the people and to build a state of the people, for the people, and by the people. As a result, all important decisions of the party and state have been made public to solicit ideas from the masses."

In foreign relations, the main aim of renovation is to create a peaceful environment to rebuild the country, adopt a policy of making more friends and reducing foes, participate in international activities, implement the open-door policy, and contribute to building Southeast Asia into a zone of peace, stability, and cooperation for development.

"The State of Vietnam has shown its goodwill and has done its best to normalize relations with the United States and China. It has also instructed state agencies to cooperate with those of other countries to resolve the Cambodian issue; the results in this regard have been remarkable thus far."

Summing up, the renovation in Vietnam has scored initial yet very important achievements. Its implementation has been enthusiastically carried out by people of various strata and its cause has been highly appraised by friends all over the world.

"Moreover, on December 1987, the SRV National Assembly promulgated the law on foreign investment in Vietnam, thus ushering in a new form of economic cooperation with foreign countries. Since then, the law has been supplemented and revised along the direction of the open-door policy. As a result, almost 50 legal documents have been issued aimed at concretizing and guiding its implementation. The Vietnamese Government has signed or is negotiating to sign agreements with dozens of foreign countries to insure business activities in Vietnam and to eliminate double taxation, thus firmly protecting investor interests."

Noteworthy is that in a short time, licenses have been granted to more than 240 foreign investment projects with an investment of more than $1.4 billion. "Moreover, oil and gas exploration and exploitation have attracted the attention of many foreign investors. Vietnam has signed 11 agreements on oil and gas exploration and exploitation with oil companies of England, France, India, Sweden, the Netherlands, Belgium, Canada, and Australia. In 1990 in particular, the Vietnam-Soviet Oil and Gas Joint Venture extracted more than 2.7 million tonnes of crude oil, thus attaining a substantial income for both sides."

At present, several foreign major oil companies are studying Vietnam's oil and gas potential for joint ventures with Vietnam. For its part, the State of Vietnam advocates cooperation to exploit this important natural resource and to establish large-scale processing plants including refineries and the production of fertilizer and electricity using natural gas.

"Nevertheless, foreign investment in Vietnam is still a new thing. As a result, difficulties and shortcomings are unavoidable in managing and implementing the law on foreign investment. Obsolete infrastructure, bureaucratism at a number of state agencies, and inefficient services and so forth are numerous difficulties facing investment. The State of Vietnam, however, has realized these shortcomings and is taking many concrete measures to overcome them and to create a favorable climate for foreign investment."

At present, the State Commission for Cooperation and Investment—the body responsible for foreign investment in Vietnam—is working closely with agencies concerned to improve its tasks, provide useful information to foreign investors, speed up the study and the process of granting licenses for investment projects in Vietnam.

Paper Notes First Quarter Gold Import Figures

BK2505092091 Hanoi VNA in English 0535 GMT 25 May 91

[Text] Hanoi VNA May 25—The SAIGON ECONOMIC TIMES in the current issue reported that in the first quarter of this year, an amount of 140 million US dollars and 2.1 tons of gold were imported and circulated in Ho Chi Minh City, increasing the monthly foreign currency net in the city to 40-50 million US dollars.

This weekly recalled that the city last year imported 29.5 tons of gold worth more than 350 million US dollars. Of the amount, 24 tons valued at 286 million US dollars were imported under the form of gifts and remittances sent by overseas Vietnamese. The rest was imported under the form of trade exchange and carried along by foreign tourists for use in the city.

The amount of imported gold accounts for 20 per cent of the national export value which greatly helped in stabilizing gold price in the city market.

Le Duc Anh Greets Army Cryptographic School

BK2605145591 Hanoi Voice of Vietnam Network in Vietnamese 1400 GMT 14 May 91

["Text" of letter from Defense Minister Le Duc Anh to cadres, instructors, workers, and personnel of the Army Cryptographic School—date not given]

[Text] Dear comrades, on the occasion of the 40th founding anniversary of the Army Cryptographic School, 14 May 1951-14 May 1991, on behalf of the Military Commission of the Communist Party of Vietnam [CPV] Central Committee and the Ministry of

National Defense. I cordially convey my kind regards and my warm greetings to all cadres, instructors, workers, and personnel working for the school in various stages.

Undergoing 40 years of building and training, and implementing advice given by President Ho Chi Minh when he visited a cryptography class at a northern military base of resistance many years ago—the advice said cryptographers must strive to encode and decipher messages in a prompt and accurate manner while trying to strengthen unity and strictly keep national secrets—various groups of cadres, instructors, workers, and personnel of the school have made great efforts to overcome difficulties and hardship, participated in emulation drives to score achievements in teaching and learning, and strictly observed discipline. The school has trained more than 15,000 cadres and cryptographers for various sectors throughout the country.

The school has consistently maintained its loyalty, enthusiasm, seriousness, and creativity, thereby being able to fulfill all revolutionary tasks and contributing positively to victories of the Army, national liberation and unification, building and defending the fatherland, and fulfilling international obligations. The school has firmly developed the spirit of self-reliance, strived to study and improve training, and produced many competent cryptographic cadres and workers.

On this occasion, I warmly commend the school for its outstanding achievements.

Dear comrades, to contribute worthily to improving the cryptographic tasks of the party and Army for the cause of national defense and construction and to meet the requirements for modernizing the Army, the school must strive to firmly grasp the party's new concepts on teaching and training of cadres and personnel for the cryptographic sector. You comrades must strive to develop the tradition and fine character of the Army, of the cryptographic sector, and of the school. You must satisfactorily fulfill the political and ideological tasks, enhance revolutionary vigilance, consistently improve teaching and learning, and produce more competent cadres, thereby contributing to building a firm and strong cryptographic sector for the Army and scoring more achievements to welcome the Seventh CPV Congress.

My cordial and determined-to-win salutations to you all.

[Signed] Le Duc Anh

Directive Marks Peasant Association's Founding

BK2905152191 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 26 May 91

[Text] On 20 May the Secretariat of the party Central Committee issued a directive on commemoration of the 61st Founding Anniversary of the Vietnam Peasants Association (14 October 1930 to 14 October 1991). The directive states:

Throughout the last 61 years, under the party's leadership, the Vietnamese peasant class, through its different organizations, has proved that it is the broad section of the public that is always loyal to the party and united to struggle stubbornly and unyieldingly to make great and important contributions to the undertaking of liberating and uniting the nation, as well as the undertaking of national construction and protection.

In order to fulfill the cherished wish of the Vietnam peasant class, recently the Political Bureau of the party Central Committee decided to choose 14 October 1930 as the founding day of the Vietnam Peasants Association.

The commemoration of the 61st founding anniversary of the Vietnam Peasants Association will be a national festival for the peasant class to thoroughly understand and implement the seventh party congress' resolutions with practical activities:

1. To develop the tradition of steadfast struggling of the peasant class over revolutionary periods; further enhance patriotism, love for socialism, and the spirit of self-reliance and self-sufficiency; determinedly follow the socialist path chosen by the party and Uncle Ho; and protect the fatherland and take the renovation undertaking to a complete victory;

2. To continue expanding peasant revolutionary movements to achieve the socioeconomic targets planned by the seventh party congress, especially in food production, agricultural products for export, and rural area building (initially, it is necessary to develop a sense of mutual affection among peasants so they can help each other through difficulties in production and life); and

3. To strengthen and perfect the association at all levels, especially the grassroots level, with renewed spirit, and gather peasants with a suitable form of organization with good quality members to make the association become a popular organization of the peasant class and a sufficient driving force of the revolutionary movements in the countryside.

The Secretariat requests provinces, cities, special zones, party committees, government organs, public organizations, the Central Committee of the Vietnam Peasants Association, and mass media offices, according to their responsibility, to successfully plan this historic anniversary day.

New Rules for Plaintiffs, Defendants Reported

BK2805151691 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 18 May 91

[Summary of new regulations promulgated by the State Council on Citizens' Rights To Complain and File Denunciations]

[Text] On 7 May, State Council Chairman Vo Chi Cong signed an order to promulgate the regulations on citizens' rights to complain and file denunciations. The regulations had been ratified by the SRV State Council on 2 May 1991.

These regulations consist of 6 chapters and 47 articles presented as follows:

Chapter I, composed of seven articles, covers general clauses.

Chapter II, composed of 16 articles, covers complaints and the settlement of complaints.

Chapter III, composed of 11 articles, covers denunciations and action to handle denunciations.

Chapter IV, composed of five articles, deals with the state management control over the settlement of complaints and denunciations.

Chapter V, composed of two articles, deals with commendations, rewards, and action against violations.

Chapter VI, composed of three articles, is the final clause.

The specific contents and new points of these regulations can be summarized as follows:

The first point concerns the rights to complain and file denunciations and the scope of such actions. The old 1981 regulations stipulated the same rights for both actions in which citizens may lodge complaints and letters of denunciation with any state agency. The new regulations now stipulate specifically the right and scope of filing complaints and denunciations respectively in paragraphs 1 and 2 of Article 1, aiming to clarify the limits, contents, and characteristics of these two major issues of different concepts.

Complaints are limited to administrative decisions and illegal deeds which come under the administrative management control and responsibility of state agencies or personnel. Complaining about the decisions and works of tribunals; control and investigation agencies; and economic arbitrators concerning investigation, prosecution, and trial does not fall into the scope of these regulations.

As for denunciation, it is limited to illegal deeds in general that cause or threaten to cause injury to state interests, and citizens' legal rights and benefits. Both paragraphs of Article 1 stipulate that citizens have the right to file complaints or denunciations with the authorized state agencies and not with any state agency. This stipulation aims to prevent citizens' letters of complaint and denunciation from being widely distributed beyond the prescribed level as they did before. On the contrary, they will be settled definitively according to the responsibility and jurisdiction of the state agencies.

Point 2 concerns the principles of complaint and denunciation and the principles for settling complaints and denunciations.

Article 3 of the regulations stipulates that complaints and denunciations, and the settlement of complaints and denunciations, must abide by the law. No agency, organization, or individual may intervene illegally in lodging complaints and denunciations and in settling complaints and denunciations. This principle is also specified in Article 2 of the regulations. The legally authorized state agencies are responsible for settling citizens' complaints and denunciations, and ensuring accuracy, timeliness, and objectivity. This is a very fundamental legal principle that governs the rights and duties of those doing the complaining and denouncing and the sides subject to complaints and denunciations as well as the jurisdiction, responsibility, and procedures for settling complaints and denunciations.

The old regulations did not cover this article. The new characteristics of these regulations are in the above-mentioned article and some others which stipulate the legal principles for lodging complaints and denunciations and for settling complaints and denunciations.

Point 3 guarantees citizens' rights to lodge complaints and denunciations. To warrant citizens' rights, the regulations strictly forbid all behaviors that obstruct and revenge complainants and denouncers; protect those subject to complaints and denunciations; incite and force people to make false complaints and denunciations; and abuse such rights to distort, accuse, and damage the interests of the state and collectives and citizens' rights and legal interests.

The new aspect in Article 7 is that from the factual settlement of complaints and denunciations, the regulations strictly forbid some of the behaviors that were not mentioned in the 1981 regulations—namely, inciting and forcing people to lodge false complaints and denunciations, failing to carry out the authorized state agencies' decisions to settle complaints and denunciations, and abusing the rights to file complaints and denunciations to disturb order and security and cause injury to state agencies, organizations, or citizens.

The stipulation of the above-mentioned interdictions and forms of dealing with violations are guarantees for the implementation of citizens' rights to lodge complaints and denunciations.

Point 4 covers the rights and duties of complaining and denouncing sides and those subject to complaints and denunciations. Those already covered in the 1981 regulations are now divided into two paragraphs of two different chapters: Chapter I covers rights and duties of the plaintiffs and defendants.

Chapter II covers complaints and the settlement of complaints, and the rights and duties of denouncers and the denounced. Chapter III covers denunciation and the settlement of denunciations. The regulations clearly specify the rights and duties of complainants in Article 6 and those of denouncers in Article 27, saying that these people should file their complaints or personally present their cases to the authorized state agencies in a truthful manner. They must provide adequate information and documents, and bear responsibility for the contents of their reports and proofs. Complainants' legal rights and benefits may be restored and indemnified for the injuries they have sustained. As for denouncers, they have the right to request that their names, home addresses, and handwriting be kept secret. The persons subject to complaints in Article 9 and the denounced persons in Article 28 may defend themselves, ask for restoration of their rights and interests that have been injured by false denunciation, and request action against denouncers who have intentionally distorted the truth. Those subject to complaints and denunciations are dutybound to scrupulously comply with the authorized state agencies' decisions to settle the denunciations. Particularly, complainants are dutybound to review the decisions and their complaints, and the denounced persons are dutybound to present themselves when the authorized agencies so request.

The above-stated rights and duties are aimed at ensuring the principle of equality for all citizens in terms of rights and duties and before law.

Point 5 concerns the authority and procedures to settle complaints and denunciations. This was the most prominent issue that attracted the most contributions during the course of compiling the regulations, and also the largest stumbling block in the 1981 regulations. It is now specified by the following items in Chapters II and III of the new regulations:

The stipulations on complaints, the authority of state inspection organizations, the role of leaders of all ranks and in all sectors, and their rights to protest and make final decisions manifest closely combined action to increase authority for the inspection agencies as specialized agencies authorized to settle complaints and uphold the responsibility of leaders of all ranks in all sectors for settling citizens' complaints. This provision warrants citizens' rights to complain and file denunciations while intensifying the systematic authority of state inspection organizations in keeping with the spirit of inspection regulations. At the same time, it also upholds the responsibility of leaders of all ranks in all sectors, which is one of the new points compared to the 1981 regulations.

The prominent point of the provision on authority in these regulations is to clarify the function of state management by sectors and domains of ministries and state commissions in the settlement of complaints in Article 16.

The failure to stipulate the prescription of complaints in the 1981 regulations on examining complaints and grievances made many long delayed cases lose all basis for settlement. Article 19 of the new regulations stipulates that the time-limit for lodging complaints is six months, beginning the day the decision is issued or the illegal act is noted, except when the law prescribes otherwise. This provision stems from the historical viewpoint and is aimed at raising the responsibility of complainants and helping the complaint-settling agencies avoid the backlog of long-delayed complaints that have lost timeliness for settlement.

The provisions in the new regulations for returning complaints and guiding the complainants differ from the provisions in the 1981 regulations that did not provide for the transfer of citizens' complaints from one agency to another. As a result, for a long time now many agencies authorized to settle complaints have been practically turned into agencies charged merely with forwarding complaints, whereas complainants have remained passive and careless about which agencies are authorized to settle their complaints. The new regulations specify that those complaints beyond the prescribed jurisdiction must be returned to the complainants, who will be guided to the appropriate authorized state agencies (Article 21.) Only the press agencies will follow the regulations of the press law, and the legally elected National Assembly deputies and people's councillors are authorized to forward complaints and supervise the settlement of complaints by the authorized state agencies (Articles 5 and 6.) Such stipulations increase the responsibility of citizens and that of state agencies for receiving and handling complaints, thus avoiding a situation in which complaints are shuffled around.

The provisions in Article 20 of the regulations deal with cases of unsettled complaints, aiming to ensure effective settlement of complaints and truly strengthen the socialist legal system for filing and settling complaints.

As for denunciation, the entire second paragraph of Chapter III outlines the authority and procedures for settling denunciations. State inspection organizations will settle those denunciations that leaders of equivalent ranks of subordinate agencies at the next lowest echelon have settled in which new details have now appeared or in which the settlement has indicated a violation of law (Article 31.) The state inspector general will deal with denunciations—against ministers, state commission heads, chiefs of agencies of the Council of Ministers, chairmen of the people's committees of provinces and cities directly subordinate to the central government, and officials of equivalent level—that have been settled but which have been found to have new details or indications that their settlement has violated law (Article 32.) The provision of authority to settle denunciations in Article 32 is relevant to the spirit of the regulations on inspection. Only the chairman of the Council of Ministers will handle denunciations against ministers and provincial chairmen which the state inspector general has settled in which new details have appeared or in which their settlement has indicated a violation of the law (Article 33.)

Point 6 deals with state managerial control over the settlement of complaints and denunciations. This issue is stipulated in five articles of Chapter IV. The regulations specify that the Council of Ministers will unify the managerial control over the settlement of complaints and denunciations countrywide. Heads at all levels and of all sectors will managerially control this task within their sectors and localities. The new point, as compared to the 1981 regulations, is that the state inspector general will implement his right with respect to the various echelons and sectors to enforce the law on complaints and denunciations—Article 38.

The role of the organ of control, the Fatherland Front, and the people's inspection committees in this task are specified in Articles 40, 41, and 42 of the regulations.

Official on Consequences of Unplanned Migration

BK2705095391 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 16 May 91

[Interview with Nguyen Van Thanh, director of the Labor and Population Mobilization Department; place and date not given—recorded]

[Summary] [Correspondent] Could you please tell us about the problem of unplanned migration and its consequences?

[Nguyen Van Thanh] The problem of unplanned migration, which began in 1976, has increased in intensity in recent years. Between 1989 and early 1991, more than 40,000 people have left their homes, causing an adverse impact on our compatriots at the final destination. As a concrete example, we can cite the seriousness of forest destruction in Song Be and Dac Lac Provinces. In Dac Lac Province alone, as many as 1,000 hectares of forest land has been destroyed. According to a report filed by Song Be Province, nearly 5,000 hectares of forest land, including watershed forest land, has also been ravaged.

The second adverse consequence of the problem lies in the miserable plight of those compatriots moving southward. There has been a lack of schools, kindergartens, and public healthcare facilities for everyone. As many as 90 percent of our migrant compatriots have suffered from malaria. Moreover, some social problems like drug addiction have spread to our compatriots at their destination.

In our opinion, this problem has caused very difficult problems to the local administrative organs and people. Therefore, we need to make a thorough study and work out a solution as soon as possible.

[Correspondent] Have the state and the Labor and Population Mobilization Department done anything about this situation?

[Nguyen Van Thanh] Upon receiving reports from the various provinces, we have met with the sectors concerned and have kept the Ministry of Labor, War Invalids, and Social Welfare informed of the situation. We are going to inform the Council of Ministers of the incident, considering it to be an urgent problem to be resolved.

First of all, it is necessary to put an end to the current food shortages. Second, it is important to help cure malaria for our compatriots. Third, it is our ministry's policy to implement effective population distribution projects to prevent our compatriots in such unplanned migration-prone provinces as Cao Bang, Lang Son, Hoang Lien Son, Lai Chau, and Son La from leaving their homes.

In this connection, we have implemented 10 major projects aimed at providing jobs for 50,000 workhands and at meeting our compatriots' needs in terms of kindergartens, public healthcare facilities, and schools.

In our opinion, if our compatriots do not have enough land to work on or lead an extremely miserable life, they do not have any alternatives other than leaving their homes for somewhere else.

Religious Leaders Briefed on Activities Decree

BK2705042391 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 26 May 91

[Text] According to a Voice of Vietnam correspondent in Ho Chi Minh City, the Fatherland Front Committee of Ho Chi Minh City held a conference on the morning of 25 May to brief a large number of Buddhist monks, Catholic priests, other clergymen, and Fatherland Front representatives of various districts and precincts on Council of Ministers Decree 69 which provides regulations on the activities of various religions.

After learning that the promulgation of Decree 69 was aimed at meeting the practical demands of the activities of various religions, the representatives of the religions said that the decree responded to the practical aspirations and needs of religious followers in the current situation. Many representatives made some suggestions and proposed that the state widely disseminate the decree among all religious followers.

Bui Tin Said Permanent Collaborator of BBC

BK2605114191 Hanoi QUAN DOI NHAN DAN in Vietnamese 5 May 91 p 4

[Article by Nguyen Chien Thang: "Bui Tin Is a Permanent Collaborator of the BBC"]

[Text] For decades of work together with Bui Tin, I never saw any of his reports or writings to the BBC. He used to tell me that the BBC (Britain) carries fast-breaking news reports that seem to be objective but are often ill-intentioned, and that by nature this station opposes socialism and national liberation movements.

However, in the past five months, Bui Tin (alias Thanh Tin) has continuously spoken on the BBC, sometimes *twice a month or a week*. In the beginning, he used the pretext of "contributing views to the political platform of the Communist Party of Vietnam" which will be decided at the upcoming seventh national party congress. Yet, through 20 or more broadcasts, Bui Tin's statements clearly have been proven to be made under BBC direction. Whatever the BBC wanted to criticize or praise, he criticized immediately. He even praised those who had served foreign countries *throughout their life and the West, received the favors of capitalism, criticized the Vietnamese nation as backward and never believed that the resistance struggle could have succeeded.* Formerly, Bui Tin used to broadside these people, saying "their brain was still heavy" with the vestiges of slavery.

The BBC also frequently mentioned Bui Tin's rank of colonel in order to intensify the effectiveness of his statements. Rank insignia of the Vietnamese People's Army are awarded only to those officers who are in command positions or still in active service. Bui Tin was a colonel when he still served the army. He was discharged 10 or more years ago.

One has further heard that Bui Tin recently talked on the BBC to incite and instigate the Vietnamese people to oppose the socialist homeland. As a matter of fact, Bui Tin has not contributed his views to the party but he has carried out a sinister plot instigated by a group of villains abroad.

The truth is that Bui Tin has not asked the BBC to convey his suggestions to the party but the BBC itself has used Bui Tin as a permanent collaborator in carrying out its dark design. Bui Tin is exposing his true nature before our compatriots abroad.

Ho's Ideas Help Overcome Errors in Socialism

BK2905105591 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 22 May 91

[Undated NHAN DAN article by Huu Mai: "Ho Chi Minh's Thoughts Are Light Illuminating the Way for Our People"]

[Text] Generally speaking, the building of socialism is still very new to the Socialist Republic of Vietnam. As a result, we cannot avoid experiencing mistakes, but we have our unique characteristics because socialism was introduced to the Vietnamese people by the outstanding nationalist Nguyen Ai Quoc [Ho Chi Minh]. His revolutionary cause was in close association with his creativity, both of which stemmed from his abstruse learning and his boundless love toward the nation and mankind.

I should say that Nguyen Ai Quoc was a genuine patriot and his love of Leninism was a matter of his fate and destiny. Through Leninism he further studied Marxism, thus Leninism-Marxism helped him chart a path for national liberation. Through him proletarian internationalism was introduced to peoples in several nations under colonialism.

In the early years, after joining the Communist International, he made a brilliant prediction that differed from the concept of communists in that era that a colony could be liberated only when the proletarian revolution in that territory succeeded. He said that the success of the revolution in colonies could come first and that this would then greatly help the proletarians in the liberated territories. At the sixth conference of the Communist International in 1928, however, the old concept was still maintained. But Nguyen Ai Quoc charted a path for national liberation under the leadership of the proletarians and engaged in various activities after that period.

In 1930 Nguyen Ai Quoc established the Communist Party of Vietnam. His political platform set forth a path for national liberation and the advance toward socialism. A decade after that, he returned home after the failure of the Nam Ky uprising—a poorly timed attempt that he regretted not being able to stop before it failed. In May 1941—exactly half a century ago—he established the Viet Minh movement to lead the Vietnamese people in a general uprising. The Viet Minh movement was the first link between the proletarian revolution and the national liberation revolution—an integrated phenomenon of Ho Chi Minh's genius.

For a long time Ho Chi Minh had foreseen the strength of the people, the kind of strength that can overcome difficulties and achieve any success. He advocated a close association between the proletarian class and the people so as to lead the revolution to its final victory. For Ho Chi Minh, the party of the proletarian class will become the party of the nation, and the fate of the nation depends on the revolutionary cause of the party.

Ho Chi Minh's fundamental revolutionary strategy is unity. He said that a single finger produces nothing, but when one clasps his fist it produces great strength. As a result, it is necessary to promote unity among the people, classes, and religious groups in a nation as well as solidarity with countries and friends the world over to oppose the enemy. With this strength of unity we would see that our enemy was but a handful of warmongering colonialist reactionaries who led the aggression against our nation. The fundamental nature of unity stems from love toward mankind, compromise, magnanimity, and reciprocal treatment. A wide, far-reaching national and international united front brings about total victory in the struggle for national independence and freedom. It is also the strength that provides happiness for all.

For President Ho Chi Minh, socialism imbued with the strong spirit of the communists and nationalist people had come to us but many people did not realize this. Actually, socialism has emerged in our country under the name "independence, freedom, and happiness" since the coming into being of the Democratic Republic of Vietnam. Socialism is an ideal and a long-term objective, while its activities directly involve daily life with the aim of providing everyone with a bountiful life and equality in education, social justice, and the right to become master of his nation. Ho Chi Minh's ethics urge the people to practice diligence, thrift, honesty, righteousness, and impartiality. He urged cadres and party members to set a good example for the people.

Under Ho Chi Minh's banner of struggle, his aspirations became realities. Ho Chi Minh socialism—if we can call it that—bears with it great morals and nationalist characteristics, while upholding the class nature, his love for the people and mankind, especially those who have endured hardship and been oppressed and tortured.

During the revolutionary struggle full of hardship and ordeals, the party—at certain times—had to announce its dissolution to carry out underground activities, while the nation had to accept a temporary partition into two parts [North and South Vietnam]. Carrying out resistance activities with hardship and difficulties, the party sometimes committed mistakes, but the people consistently closed their ranks around the party and upheld the ideal of socialism. This is not surprising because the people have clearly realized to whom the party belongs and for whose interests the struggle is carried out. As a result, the people's confidence in the party will not be diminished if the party admits its mistakes and tries to overcome them.

It is noteworthy that people in many Western countries have reminded a number of confused people in socialist countries that things they have done are not all wrong, and what appears in the West is not all good and correct. A U.S. economist—a Nobel Prize winner—told readers of a newspaper in Moscow that capitalism has not yet achieved the best economic model, while losses in the marketing system are still prevalent, and capitalism is a process that undermines initiatives. These are things that run counter to the ideology and political line of socialism.

Achieving a prosperous economy is very difficult, especially seeing that in our case we have had to face the consequences of a century-long period under colonialism and the 30-year struggle against foreign aggressors. Hunger, poverty, and hardship—we have experienced them all. It is noteworthy, however, that during the war years, despite hunger and hardship, our people were able to lead a healthy life and maintain very good human relations between themselves.

Unavoidable mistakes that we have experienced recently in building a new society and in economic supervision and management have been due to a very significant cause: we have not creatively applied President Ho Chi Minh's concepts and [words indistinct].